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DOCUMENTS

OF THE

SENATE OF INDIANA;

TWENTY-FOURTH SESSION.

INDIANAPOLIS:

DOUGLASS & NOEL, STATE PRINTERS.

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REPORT
OF THE
STATE BOARD OF INTERNAL IMPROVEMENT
OF THE
STATE OF INDIANA.

INDIANAPOLIS:
DOUGLASS & NOEL, PRINTERS

REPORT.

To the General Assembly of the State of Indiana:

THE supervision of the public works of the state, being placed in the hands of the new Board, created by the late modification act, the preparation of the 4th annual report devolves upon them; and in conformity with usage, and in obedience to law, the Board beg leave to submit for the examination of the General Assembly, a summary, yet somewhat detailed account of their proceedings.

On the 4th of March last, the day appointed by law for the organization of the new Board, the members met at the seat of government, and having each given the requisite bond, and taken the oath of office, they organized and proceeded to business.

Noah Noble was elected President of the Board, and James Morrison was appointed Secretary, with a salary of six hundred dollars per year.

The reorganization of the several corps of Engineers was commenced, by the nominations made by the Chief Engineer, in the grade of *Residents*, in which grade there has been a reduction of four—diminishing that branch of the expense at the rate of \$6,000 per year. To afford the Chief Engineer time to fill up the corps on as cheap a basis as the public service would permit, the nominations below the grade of Resident, were deferred until the June meeting of the Board, at which time the organization was completed.

The superintendence of the various works was apportioned among the several members of the Board, as follows:

To Samuel Lewis, the work on the Erie and Michigan canal; the Wabash and Erie canal, including all the work on that line to Covington; the work on the Indianapolis and Lafayette M'Adamized road from Crawfordsville to Lafayette; and the duties pertaining to the sales and collections on canal lands.

To John A. Graham, the Southern Division of the Central canal; the New Albany and Vincennes road; the improvements at the Rapids of the Wabash; and the work on that part of the Jeffersonville and Crawfordsville road, between Salem and New Albany.

To Noah Noble, the Cross-cut canal; the Jeffersonville and Crawfordsville road north of the National road; the Northern Division of the Central canal; the Madison and Indianapolis Rail-road; and the White-Water canal.

On referring to the law under which the new Board was created, for a specification of the duties imposed upon them, the authority given for their execution, and the objects to be attained by its enactment, the Board found them of a highly responsible, difficult, and delicate character; and more so, as many of the provisions of the act

are so obscure and ambiguous, as to mislead especially those unacquainted with the condition and the amount of work under contract; and thereby create expectations not to be realized. Taking the sections of the act separately, the object would appear to be that expressed in the title—"to modify" the system so far as to have finished at once, a portion of the works; and in looking for the powers and means to be employed for the accomplishment of so desirable a purpose, they would seem to be given, in the discretion to be exercised in the application of the public funds to the more prominent works, and in the privilege of *compounding, cancelling, and transferring* contracts already entered into; but when those seemingly ample powers are examined, in connection with each other, they will be seen to be so incumbered with conditions and prohibitory clauses, as to render them almost inoperative, and in some instances altogether so.

According to their understanding of its leading requirements, and the powers conferred, the Board consider that the act contemplates,

First—The reduction and restriction of the annual expenditure to one and a half million of dollars, including superintendence and all other expenses connected with internal improvement.

Secondly—On deciding what works shall be *urged* forward, the Board is directed to apply or *concentrate* the public money upon such as will best promote the agricultural and commercial interest, and yield a revenue to the state the earliest day, so as to relieve the public from taxation; but the Board are at the same time prohibited from taking any step that would jeopardize the final completion of the public works provided for by the Internal Improvement act of 1836. And,

Thirdly—As a part of the means, and in furtherance of the object—that of completing a portion of the works—the Board are authorized to *compound, cancel, or transfer* the existing contracts from one work to another, upon the condition that the contractors would consent to it; but no transfer is allowed that will either diminish or enlarge the appropriations made for each work in 1836.

With this view of its conflicting provisions, and with a knowledge of the obstacles to be surmounted, the Board entered upon the execution of the trusts confided to them, and from convictions of duty, as well from a concurrence generally in the design of the Legislature, determined as far as practicable to carry out, what appeared to them a leading principle, that of finishing the more important and profitable works, as early as the means placed within their power would permit; but it was not without apprehensions as to the result, knowing that the act to be taken for the guidance of the Board, with its lame and conflicting provisions, was the offspring of conflicting views and feelings in the Legislature, after a failure by that body to specify the works to be first completed.

The first thing to be ascertained, was the amount of the liabilities of the State for outstanding contracts—upon what works, and at what points; and the following is the result of the inquiry, as furnished by previous reports, viz:

Amount of Contracts on Wabash and Erie Canal—

East of Fort Wayne	-	-	\$136,542
Above Fafayette	-	-	272,178
On old line	-	-	17,781
Lock in Delphi Dam	-	-	39,167
Letting at Covington	-	-	141,065

White-water Canal—

Below Brookville	-	-	34,422
Letting above same to Cambridge	-	-	526,258

Central Canal—

Above Evansville	-	-	51,395
Last year's letting, deep cuts &c.	-	-	443,744
Below Bluffs	-	-	104,010
Due on 1st lettings at Indianapolis	-	-	13,728
North of Indianapolis	-	-	370,188

Cross-cut Canal—

At Terre-Haute	-	-	228,308
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Erie and Michigan Canal

	-	-	270,523
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Madison and Indianapolis Rail Road

	-	-	86,921
--	---	---	--------

New Albany and Vincennes road

	-	-	335,098
--	---	---	---------

Jeffersonville and Crawfordsville road

	-	-	155,834
--	---	---	---------

Above Greencastle	-	-	77,562
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Road north of Crawfordsville	-	-	77,976
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New Albany to Jeffersonville	-	-	27,411
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Making in all \$3,414,121

With this large amount of unfinished contracts standing in the way, scattered over seven distinct lines, and at some eighteen different points—one-third of them unconnected with others, the question suggesting itself to the Board was, how can they pay off these contracts with one million and a half per year, (absorbing the whole amount appropriated for more than two years to come, if applied to existing contracts,) and at the same time execute the other great object contemplated, that of lessening taxation by finishing the most profitable works?

To this an answer might seem to be at hand, in the grant of power to transfer and cancel contracts; but upon that, from a knowledge of the then condition and past progress of the works, the Board could not rely. The contracts upon the detached lettings and elsewhere, in many instances, were in the hands of citizens of the immediate vicinity of the works, who, instead of assenting to a postponement or transfer, would oppose any relaxation of operations on their favorite work; and in addition to that feeling, the Board saw that the restrictions placed upon them in those provisions of the act that forbid the taking of any step that would interfere with the original appropriations made to each work, or any thing calculated to "jeopardize" the completion of all the works named in the act of 1836, would prevent any valuable result from the proposition to "cancel and transfer," when not only the assent of the contractor was first necessary, but the terms and rate of

compensation were in his power. But whilst the board entertained these doubts, their judgment approved the object of the law, their duty prompted them, and an order was accordingly made for transfers from the Cross-cut canal to the main Wabash line; from the work at Covington to the same point; from the letting north of Greencastle; from the letting below Indianapolis to the main line of the Central Canal north of the same place; and from the lock contract north of the Cumberland Road on the White-water canal, to the main line below. The success of the efforts made in this matter, will be found in the annexed reports from the commissioners whose duty it was to execute the order of the Board.

The Board next proceeded to the designation of the objects, and to the apportionment of the annual allowance of 1,500,000 dollars, and in the performance of that duty, they encountered perplexities like those before alluded to. With that sum, unincumbered with other claims upon its application, three prominent works could have been finished in two years; but whilst there existed so large an amount of liabilities for previous contracts, such a disposition could not be made, without a disregard of the rights of contractors, so cautiously guarded by the late act; and on the other hand, if applied to the payment of existing contracts, the whole amount would be exhausted for more than two years, and the other great object, the completion of a part of the works, would be defeated. Under such circumstances, taking the middle ground, the Board made the following apportionment of the annual allowance of a million and a half, giving preference to the more important works, keeping in view, as near as could be, the unfinished contracts on each, viz:

<i>Resolved</i> , That the acting commissioners be severally restricted in their expenditures for the current year, to the sums and on the works hereafter named, including every expense whatever, to wit:			
Wabash and E. Canal E. of Ft. Wayne	.	\$95,000	
" " North of Tippecanoe	.	103,000	
" " North of Lafayette	.	55,000	
" " Lock at Delphi	.	4,000	
" " Other purposes	.	22,000	
		<hr/>	279,000
White-water Canal below Brookville	.	34,000	
" " Above Brookville	.	240,000	
		<hr/>	274,000
Central Canal—Indianapolis	.	13,500	
" " Andersonstown	.	125,000	
" " Noblesville	.	35,000	
" " Martinsville	.	25,000	
		<hr/>	198,000
" " Evansville Div.	.	51,000	
" " Petersburg	.	140,000	
		<hr/>	191,000
Cross-cut Canal	.	.	70,000
Erie and Michigan Canal	.	.	100,000
Madison and Indianapolis Rail Road	.	.	65,000

Vincennes Road	.	.	145,000	
Jeffersonville to New Albany	.	.	10,000	
			<hr/>	155,000
North of Crawfordsville	.	.	.	30,000
Salem	.	.	.	70,000
Greencastle	.	.	.	25,000
Covington (canal)	.	.	.	30,000
			<hr/>	\$1,487,500

Finding the work going on at the eighteen different points, with unfinished contracts to the amount of the \$3,414,000 to be paid for as the work progressed, without driving the contractors from the lines by withholding the money, the foregoing application was the nearest approach to *modification* and the early completion of a part of the works, that the new Board could make. Had the act authorized the Board to discontinue the operations upon the less valuable works for a while, and to pay the contractors for their disappointment and losses, upon those equitable principles that would apply to contracts between neighbors, the Board would have made a more profitable disposition of at least \$700,000 of this year's allowance; and as it turns out it would have been much better for the contractors; but having no such authority delegated by the act, and the transfers being entirely at the option of the contractors, a more profitable disposition could not be made of the funds.

With this communication the Board will lay before the Legislature the annual report of the Chief Engineer, and it will be found to contain much useful information at so important a crisis in the affairs of the state. For all those matters of valuable detail belonging to, and to be derived from the files of his department, and from his experience and knowledge of the condition of the lines, reference may be had to that document; and particularly as regards the cost of the various works from one point to another, the total cost, and the sum yet required to render them available.

The several members in their character as Acting Commissioners, having prepared a report of what has been done on the several works in their respective districts, with all the minutiae of their proceedings, the Board will annex them to this communication. That plan will relieve the Board from making farther comments, and from a repetition of the particulars in reference to each work; and they beg leave also to refer the Legislature to these documents for any information in addition to that acquired from the report of the Chief Engineer, and for such as has reference to accounts, and which may not not be found in this report.

As will be perceived, the Wabash and Erie Canal from Lafayette on the Wabash, to the Ohio line, is nearly completed, requiring only labor to the value of \$163,000, to prepare it for navigation between those points, a distance of 144 miles, which if the means can be provided, may be accomplished by June next. The time for the comple-

tion of the work on this line expiring this fall, and that being the more prominent line, it was not laid under the same restrictions as other works, in the distribution of the limited expenditure for the year. There is now however some reason for the apprehension, that we are to experience a most unexpected delay in the use of this work, and from an alleged cause, which at this late hour cannot but excite surprise and regret. It will be recollected that in the location of the line from Fort Wayne to the Ohio state line, two levels or lines presented themselves; the lower one, on the plan of taking in the Maumee river as a feeder, which would supply the line with water beyond the Ohio line; and the upper level, relying upon the St. Josephs as a feeder, which would barely afford a supply in the dry season to the state line. With a full knowledge of all this, the Engineer of Ohio, Mr. Ferrer, a highly competent officer, selected the upper level, having formed his plan for a reservoir to feed with, to a point in Ohio where the supply was sufficient. Upon this plan Ohio proceeded in her engagement with this state to construct her division of the canal, and the work was accordingly put under contract. Having assurances from the proper officers, that her part of the canal should be ready during the next year, we have expended money freely and largely, and have our part of the line nearly complete. It is said however, that the plan of Mr. Ferrer has been changed since the work was let, and that a different line is to be adopted for a distance of some twelve miles, and that the work is to be let anew; and if so, it will require some time for its performance. The consequence of such a step, would be that our commerce would be locked up for some time to come, and that the state will sustain a loss of no little importance, after paying out so large a sum to construct our part of the work. For a better understanding of the subject, the Legislature is referred to the correspondence of the Chief Engineer, to be found connected with his report.

The last and the present seasons being so dry that the water of the streams was reduced much below the measurements before made; and the Northern Canal being dependent upon reservoirs for support, some doubts were excited of the sufficiency of such a supply; and it was deemed best to send a party to ascertain the quantity before the farther prosecution of the work, the results of which, not being yet known, will be communicated to the legislature, when received. For what has been done on the other lines in Mr. Lewis' district, his report will shew. The other branch of the public interest placed in his care, that relating to the canal lands, will be found exhibited in such form as to furnish a proper understanding of the subject.

The Board has to acknowledge, with a mixture of regret and mortification, that another year has passed, without any valuable progress in the improvements at the rapids of the Wabash; and what heightens the feeling of disappointment, is the consideration that the change in matters of finance has shorn us of the means for renewed efforts. That work is not under the control of the Board of this state nor of Illinois, but of the joint Commission of the two states, acting upon their own responsibility, and not bound by an order from either Board without

the concurrence of the other. Being an improvement interesting to an extensive and productive district of each state, and holding in check a heavy and valuable commerce, this Board would gladly have seen the work go on. The Commissioner Mr. Graham, on our part, has recited the causes of delay, in his report.

The New Albany and Vincennes road being metalled to Paoli, gates will be put up for the receipt of tolls; but as there is no law imposing penalties for evading their payment the Board will need the aid of further legislation. Mr. Graham's report will detail what has been done on the balance of this and the other lines in his district.

In extinguishing the contracts on the Cross-cut Canal, and directing the application of the funds allotted to it, the Board aimed at an early use of the water power, dispensing with the locks. To attain that object additional work will be required to the amount of \$91,000.

The feeder line of the Central Canal at Indianapolis was filled in the spring, and now supplies power for hydraulic purposes at that point. The first dam for the Muncietown feeder and the one at the Bluffs, will be left secure with a few days' more labor.

In July the navigation of the White-water Canal was permanently opened, and the line to Brookville is well prepared for the winter's frosts and floods. The exposed work at Lawrenceburgh will be placed beyond the reach of danger, if not arrested in a few days. The bridge over the pool of the dam at Harrison is well advanced; and the foundations and abutments of the dams and aqueducts above Brookville are left with strength sufficient to withstand the dangers to which they are exposed.

By an order of the Board the Railroad has been leased for one year from the first week in June for 60 per cent. of the receipts, the contractors being liable for the expenses of the officers, fuel, and other contingencies. The distance from the depot at the top of the hill near Madison to Vernon, 20 miles, is performed in one hour and a quarter. One trip is required each day, and when the business justifies it, two trips are made per day, making 80 miles. No accident has yet occurred.

The June letting on this road covers a distance of 29 miles to Edinburgh, the contract prices being much below former prices, averaging for grading and bridging, about \$9,874 per mile. The whole length of line now occupied, finished and unfinished, amounts to fifty-seven miles and a half.

Upon the road north of Greencastle the structures and materials will be left in an advanced and safe condition. For all other details pertaining to the lines in Mr. Noble's district, the desired information may be acquired by a reference to his report to the Board.

The following is a condensed view of the year's operations:

Amount of work done and paid for from 1st March to 31st Oct. is	\$986,732 14
To this add amount expended by the old Board from 1st Dec. to 1st March	399,595 69

Amount of work done by contractors since the suspension and for which the state is indebted -	\$705,000
Amount of unfinished contracts 1st Dec. last was	3,414,000
Unfinished contracts the 31st Oct. besides the R. R. letting, a balance of	1,778,155
Letting on Railroad in June	285,000

The sums reported as paid out by the old and new Boards will not agree with the charges of the Fund Commissioners against the Board of Internal Improvement, because Messrs. Clendenin, Maxwell, and Johnson have not settled, so as to include what they paid out from 30th Nov. to 1st March, and because the disbursements and estimates made since the 31st Oct. the time of closing the accounts of the new Board by law, are not brought into the report now made, but will come in under the next quarterly report.

For a farther, more specific, and satisfactory view of the subject the table marked A. has been prepared by the Board, exhibiting the payments made by the old Board to 1st March; payments since made for construction, superintendence and damages; the amount of debts due contractors and others; the amount of old contracts unfinished to 31st October; and the amount of contracts made this year.

From the amount of contractors' claims for work performed it will be seen that, with the suspension of the works, we have another evil brought upon us, of no trifling magnitude; that of being largely in debt to contractors. To guard against or prevent its accumulation by an authorized line of conduct towards them, would have been gratifying; but being anxious to finish their jobs without breaking up their force, hoping every month for some relief; having no means to pay their hands if discharged, and in many instances being encouraged, assisted and urged on by citizens of the vicinity, they were induced to persevere.

The Board has however, recently issued the annexed order, with directions in an imperative shape, requiring the contractors on all the lines to cease their operations with the exception of those engaged in jobs that are yet to be preserved by additional work, and with the exception of the Wabash line above Lafayette:

“Ordered, That, with the exception of the Wabash Canal from Lafayette to the state line, and the dams on other works yet to be preserved; the work at Lawrenceburgh and bridge at Harrison; the Public Works be immediately suspended; and that the Chief Engineer be requested to give the necessary orders to the Engineers in charge of the same.

And it is further ordered, That the Chief Engineer be requested to take such steps as will by the first day of December, reduce the corps of Engineers to the wants of the service under the suspension which has taken place, retaining as many of them, and of such grade as the present condition of the works may require; and in the meantime he is moreover requested to cause an inventory of the public property of every description to be taken, and to direct where it is to be deposited and the manner of its preservation.”

Adopted by State Board of Internal Improvement, 18th Nov. 1839.
J. MORRISON, Sec'y.

It would be an omission of duty towards them, were the Board to fail to recommend the claims of the contractors to the early and earnest consideration of the Legislature. With their whole private resources invested in their work, those who are citizens of other states cannot leave; those who are of our own citizens cannot engage in other pursuits; and all are indebted largely for labor and supplies. Nor are they the only sufferers; many of the daily laborers and farmers have relied upon their dues from contractors, to pay taxes and other pressing demands. For these reasons it would seem some early and efficient measure of relief should be afforded by the Legislature. So far as they may be discharged, the Board is of opinion the per centage should be paid them upon an adjustment of their accounts.

There is another class of meritorious individuals whose claims will entitle them to the favorable and early consideration of the Legislature, those composing the various corps of Engineers, filling the subordinate stations.

Owing to the suspension, the Board and Chief Engineer, from motives of economy, have found it necessary to dispense with them; and having rendered efficient and faithful services, the Board freely acknowledges it; regretting their inability at this time to tender the promised compensation.

In compliance with that injunction of the late act, the Board has appended to this report a Roll of the officers and agents employed upon the various works:

On the nomination of the Chief Engineer, the following appointments have been made by the Board:

Stearns Fisher, Resident Engineer, at	\$1,500 per annum.
T. A. Morris	1,500 "
C. G. Voorhies	1,500 "
Wm. J. Ball	1,500 "
L. B. Wilson	1,500 "
O. P. Jennison	1,500 "
Solomon Holman	" resigned in July 1,500 "
Wm. B. Mitchell	" resigned in July 1,500 "
Henry C. Moore, in place of Mr. Holman	1,500 "
Sherman Day, Engineer and Superint'dt of finished canal	1,200 "
F. Seward, Senior Assistant	920 "
O. Bird	920 "
J. S. Stinson	920 "
Sam'l C. Bradford	920 "
P. H. Woodward	920 "
B. P. Noland	920 "
J. H. Sprague	920 "
R. M. Patterson	920 "
P. Martineau	" resigned in September 920 "
J. R. Morledge	" 920 "

James Johnson, Assistant	696	per annum
A. D. Seward “	696	“
Benj. H. Fisher “	696	“
T. G. R. Noel “	696	“
M. S. Webb “	696	“
L. H. Amsden “ resigned in August	696	“
Wm. J. Holman “	696	“
Ira Wellman “	696	“
A. A. Cole, Junior Assistant	556	“
Washington Black “	556	“
John H. Farquar “	556	“
C. H. Williams “	556	“
Hervey H. Henderson “	556	“
George H. Jennison “	556	“
S. A. Rariden “	556	“
Louis Thicksten “	556	“
Wm. Kirby “	556	“
A. L. Havens “	556	“

Appointments by the Board.

R. Adams, Sup'dent repairs on W. & E. C.	1,095	“
—— Wadhams “ Wh. W. C.	800	“
Adam Green “ Indps. & Mad. Railroad	3	per day
J. G. Sering, conductor of transportation on do	700	per annum
N. N. John, collector, Lawrenceburgh	100	“
N. Brown “ Brookville	100	“
M. F. Barber “ Fort Wayne	180	“
J. Barlow “ Lagro	180	“
H. Lasselle, jr. “ Logansport	180	“

The Treasurer of State has laid before the Board, a notice of the surrender of the charter of the Lawrenceburgh Railroad Company, and the Board has considered the question of the value of the work performed by the Company to the Canal at Lawrenceburgh; and finding from the opinion of the Engineer Department, that it does not, in its present condition, afford any protection to the canal, if it required it, the Board could not feel justified in making an allowance for it, and therefore have not made any.

Although it does not properly belong to them as disbursing agents, yet as the act enjoins upon the Board the duty of exhibiting a view of the condition of our finances, present and in prospect, stating the gross means applicable to the interest on our debts, and the sources whence derived, they have sought and obtained information in relation to the subject from the commissioners belonging to the financial department, and proceed to the discharge of the duty required.

The whole amount of the state debt is,			
For the Wabash and Erie canal	-	-	\$1,727,000 00
For the other works	-	-	5,932,000 00
Making			7,659,000 00
Deducting the estimated value of our canal lands			1,000,000 00
there will remain of the debt			6,659,000 00
The annual interest on our debt, is			
On that of the Wabash and Erie canal	-	-	\$87,350 00
For the other works	-	-	301,600 00
Amounting to			388,950 00
Annual means applicable to the payment of interest, are:			
Revenue derived from \$107,000,000 of assessment, at 30 cents on the \$100, making,			
not deducting the cost of collection	-	321,000	
Interest on one 3d of the Surplus Reveue		34,000	
Interest on debts due for canal lands sold		22,000	
			377,000 00
Leaving, besides the loss and cost of collection, a balance to be provided for of			11,000 00
In addition to her bonds, the state owes the following debts:			
To the Br. Banks for money advanced for the works			
	-	-	660,000 00
To contractors &c. to 1st Nov.			
	-	-	705,000 00
			\$1,365,000 00

And there is due to the state:

From Eastern Banks, and others, besides the unavailable property of \$285,000	-	-	1,557,000 00
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Of the canal lands embraced in the estimate of \$1,000,000, about \$365,000 consists of debts due for those sold heretofore, and the remainder consists of the estimated value placed upon the 90,000 acres to be selected from the lands recently purchased of the Indians. Besides these, we have 294,000 acres, now selected on account of the lands granted by Congress for the benefit of the Wabash and Erie canal, below the mouth of the Tippecanoe, which cannot be disposed of until authorised by an act of Congress.

The annual means applicable to that purpose being short of the interest accruing upon the bonds, and the Board believing the present rate of taxation as high as the assessments will justify without making it oppressive to the agricultural interest, would recommend the sale of the canal lands, payable annually for seven years, with interest, and from the proceeds that the \$87,350 of interest, due on the debt contracted for the Wabash and Erie canal, be paid. This will leave from

*NOTE.—Supposing the stockholders will pay the interest on the bonds of the Lawrenceburgh R. R. Company, they are not included.

the other sources of income named, a sum sufficient to meet the interest on the remainder of the debt. Until there shall be a sufficient sum received from the sales and accruing interest, the interest from the canal lands for the first year, to that amount, (\$87,350) must be paid from the debts due from the Eastern Banks, amounting, as above stated, to \$1,557,000, to be returned from the sales of the lands.

The Board may be told it is bad policy to apply the principal to be obtained for the lands to the payment of interest. Looking to the *policy* of the proposition, the Board will concede this; but, looking to the *necessity*, and believing it would be very unsatisfactory to the holders of our bonds to be told that we wished to apply our lands to another object, the Board is prepared to apply any means in the reach of the state, to save our credit and protect our honor. With the debts due us, the proceeds of the lands, and the present income from taxation and otherwise, we can preserve our credit until other resources are at hand, and until we can complete our prominent and more profitable works.

The Board has already stated to the legislature, that in their order for the suspension of operations upon other lines, they have not disturbed the progress of contracts on the Wabash canal. That work being at the eve of completion, and requiring only the performance of work to the value of \$168,608, to render it available for the whole distance of 144 miles, it was thought advisable not to diminish the amount of force there.

To those who reside on the other lines, and who have witnessed the daily active exertions of the operators, the discharge of the force employed, and the consequent postponement of the expected facilities to commerce, cannot be otherwise than discouraging. Similar disappointments, however, have happened to other states, and without injury, except that produced by delay; and whilst we cannot avoid feelings of regret for our suspension, there will be a resulting benefit, that of the reduced price of new work corresponding with the decline in the leading elements of cost, labor and provisions, to say nothing of the opportunity that will be offered the legislature to confine the future application of our means to the more useful works first, taking time for the completion of others.

When we shall be able to renew operations upon a prudent scale, will depend in some measure upon circumstances not in our control, but from the long rest the people of Europe have had from the desolations of war, and the vast accumulation of wealth to fill the channels of business, there must, when the effects of the revulsion shall have subsided, be a surplus of capital to be again invested in American bonds; and when, in connection with this view, we look to our state and her resources, to the public spirit, enterprise, and perseverance of her citizens, to the elasticity and energies of both, with such a people, such a soil, such resources, present and in prospect, the day cannot be remote when the gloomy picture held to our view, must give way to brighter prospects, and then, like the states preceding us, we must and will triumph over the difficulties thrown in our path by the pervading evil of the times.

By a reference to the table attached to the report of the Engineer in Chief, the legislature will perceive that 404 miles of the advanced works may be finished with a further expenditure of two millions, and that with an additional sum of one and a half million, one hundred miles more may be completed.

Although the Board thought it advisable to discontinue operations for the present, and until the legislature should have an opportunity to act in reference to the subject, they are of opinion, if at all practicable, that one at least of those approaching to completion, should be taken up in the spring. And when the state authorities shall approve of the plan which has been determined upon by the joint commissioners for the work, the improvements at the Rapids will deserve a share of the first means that may come to hand.

The Board has, with feelings of commendation observed the examples of the citizens of Kentucky in tendering to the Executive the aid of their private resources in the prosecution of their public works, and being advised of a disposition on the part of our citizens to enter into private associations to carry on the work upon several of the advanced improvements, without calling upon the state for money, proposing to take her bonds and do the work at the prices estimated by the Engineer, the Board is of opinion that it would be good policy to encourage the undertaking, with such restrictions as will ensure the application of the proceeds of the bonds to proper objects.

The events transpiring since the last session of the General Assembly are such as to present questions for deliberation not only new, but such as are alone suited to the heart that has no relish for public calamity, can discard selfish motives rather than excite distrust and alarm, and meet the crisis under a patriotic desire to protect the interest, and what is still more valuable and sacred, the plighted faith and honor of the State.

For a year or more we have had forebodings of one of those reverses, which, periodically or otherwise, have attended the prosperity of all communities enjoying high commercial or other benefits. The threatened reverse has fallen upon and affected alike the finances and policy of our State, of our sister States, of the General Government, and our extended business and commercial relations with other nations; deranging money matters; reducing the value of lands, labor, and the products of agriculture; prostrating foreign commerce, arresting the works of States, and suspending those facilities usually granted by the banking institutions. Whether it has originated from conflicting policy or rival interests in the commercial world, from overtrading, or from other causes, is not material to us for the present. Its influence, upon us, is felt in the failure to procure funds in Europe upon our bonds; and not knowing the true cause of the suspension we are apt to ascribe it to the magnitude of the system, or to the manner of conducting it. Although no adequate remedy, from their progress, can be now offered for past errors, the experience we have had may be of future value; and therefore it may be well to recur to the history of the adoption of the system, and the manner of its prosecution.

Our State was engaged in the construction of her favorite enter-

prise, the Wabash and Erie Canal at the cost of something more than \$7,000 per mile. Three or four States were completing extensive schemes, and beginning to enjoy the advantages flowing from them; and several other States had made small commencements. These brilliant examples were pointed to, as they should be, as the road to just fame, wealth and greatness. We ascertained that the capital employed in the construction of these gigantic undertakings had been procured in Europe by our sister states on a credit of from twenty to fifty years, at four and five per cent. interest, and that additional funds to an unlimited amount, were offered for State bonds at the same rate. In that country, where estates and fortunes have been accumulating for centuries, interest *payable there*, was down to three and four per cent., and the longer the time, the lower was the interest. Single families were ready to furnish millions on American bonds. Having no sufficient gold and silver mines in this country, and being dependent on England, Spain, and other foreign countries for our specie, with a scarcity of money at home, and a low rate of interest abroad, the States had much to induce them to borrow. At that time the bonds issued by the States for banking purposes, and for internal improvement, did not exceed \$30,000,000. Having a territory highly susceptible of improvement by canals and rail roads, and having a heavy surplus of produce without avenues to market, and looking to the brilliant achievements of three other States as proud examples for imitation, with a prospect of sufficient funds at a low rate of interest and upon a credit to be named at our choice, the newspapers and the public men of the State brought the subject before the people for consideration. The first step was the order for the survey of some ten routes in 1835. These surveys awakened a lively interest upon the subject throughout the State, and at the next session nine tenths of the members took their seats virtually instructed to sustain the proposition to adopt a general plan; and such was the public ardor and zeal of the members, that the earlier friends of the measure had more reason to interpose a limit, and to check the ardor, than to urge the question; for each county and almost every member hoped to embrace some work suiting their local interests, and, that granted, but few were found in the opposition.

Under these circumstances the internal improvement bill of 1836 was brought forward, embracing works which were to cost about \$16,000,000, according to estimates of the Engineers then before the Legislature; and upon the question of its adoption it was passed with great unanimity, being sustained by all parties, and by every sub-division of the State. The few members who opposed it were unaccommodated themselves, or from counties bordering the navigable streams that did not need roads or canals. The passage of this bill was hailed by the newspapers as a new and bright era in our history with eulogistic praise; our villages were illuminated; and an almost unbroken voice of approbation pervaded the State. Nor was the applause bestowed alone from our people; the press of other States announced the measure as an example of our enterprise, and as being worthy of their imitation. Instead of viewing the plan and the consequent expendi-

ture as too large and costly, (amounting, by estimates of the Engineer reported by the Board to the Legislature at its next session after the passage of the bill to \$18,600,000.) Our less fortunate citizens, those who were not provided for by the bill, urged their claims; and their representatives, for two years, brought forward bills proposing other works costing several millions more, pledging their own and the future support of their constituents, if their requests should be granted.

Each member of the Board created to execute the provisions of the act, being chosen according to the provisions of the bill, as the representative of his work, the principle of conferring equal benefits upon every district at the same time was carried out with almost as much certainty as if directed by law.

The Board of Internal Improvement according to the impatient demand of public sentiment, and the indirect expressions of the Legislature from time to time, ordered a beginning upon every line, and a subsequent period at several points on the same line. Objections being made to the plan of simultaneous prosecution of all the works; the objectors insisting at the same time upon finishing a portion of them on the ground that it would be more safe and economical, and relieve the burden of taxation; the question was openly discussed for two years, and a large majority of the people of the State sent members to the Legislature under a pledge of support to the system as then conducted, sustaining the action of the Board to its fullest extent. These facts belong to the history of the measure, and are referred to, to shew that it was one originating with and sustained by the people; and that the obligations incurred were created by the authorized agents and representatives of the people and of the State.

Having stated the inducements which prompted us to embark, the plan pursued to accomplish the enterprise, and the reliances upon which we based our high expectations of ultimate success, the inquiries suggest themselves, what have we realized? and what has been the result of our experience? and then from a comparison we may detect the errors which time and our observations may have exposed.

In the first place, from the rise which has taken place in the leading items, labor and provisions, our works, estimated correctly in the outset, with but few exceptions, have cost us 20 per cent. higher. The difference was lost to the State, but realized in the profits of labor and provisions by our citizens.

Secondly: Relying for means as we had reason to do, upon the low rate of interest and great amount of capital in Europe offering for American bonds, we expected to procure funds at our pleasure, and actually did so for a while: but the \$30,000,000 of State bonds then authorized to be issued have been increased to \$174,000,000, besides city corporation bonds, and those sent out by canal and rail road companies, amounting in all to near \$200,000,000. This large and unexpected demand for foreign funds has absorbed so great an amount as to induce the Bank of England (whose rate seems to govern others) to put up the rate of interest to stop the drain of capital from that country. The effect of this measure has been to reduce the

value and demand for State bonds, preventing this and other States from proceeding with their works. These things, the increase of bonds and rate of interest, no human forecast could guard against, and therefore the States were not to blame for relying on a resource that has and will for a time fail.

Thirdly: Finding from our annual outlay, that the demand upon the treasury for the payment of interest, would soon exceed the provisions made for that purpose, various expedients were suggested for raising an annual revenue in aid of the ordinary resources. At one time our share of the surplus revenue of the the U. States, supposed to be \$1,500,000, was relied upon; but in the sequel, only a portion came into the possession of the state; and two-thirds of that was appropriated by the Legislature, to another important object, that of education, reducing our contemplated means from some \$100,000 annually to \$34,000. At a subsequent period, public attention was directed to an increase of the capital of the State Bank, as a measure that would be salutary to the general prosperity of our state, and promising from its nett profits a large annual income. The measure received the sanction of our ablest financiers; and the President of the State Bank, in his report to the House, of Dec. 29, 1838, expressed the opinion that the capital might be increased to ten millions within the next ten years; that loans for this purpose could probably be made at an average rate of five and a half per cent.; and that the state in the next ten years might realize from the profits of the bank stock, the probable sum of one million of dollars, applicable to the payment of interest on our Internal Improvement debt. But the failure to negotiate the loan required for the object, will, for a time at least, prevent the proposed increase of bank capital, and the important aid anticipated from that source can no longer be relied upon.

Lastly: Whatever may have been the previous opinions and wishes of the friends of the policy, from a review of our operations on the principle of carrying on all the works; and from the evidence afforded by time, experience, and what we have accomplished, it ought not to be denied that the state has divided her resources and energies among too great a number of objects; that they are unproductive in their present condition; and that it was our better policy from the beginning to direct our means to the completion of a part of the works, before we proceed with others. This plan would have completed all in less time, and for a less sum than the plan adhered to by the Legislature and the people. In that may be found our greatest error.

Deprived of the aid looked for from the several sources mentioned, which was barely adequate for the annual demands resulting from the extended plan of operations, it is manifestly our duty now to confine our future expenditures to correspond with our diminished resources, and to finish some of the most profitable and useful works, leaving the remainder awhile, and until new, or our growing resources will warrant a resumption.

Whatever may hitherto have been the difference of opinion in reference to our internal improvements, there will be none in regard to the propriety of maintaining the faith and credit of the state. In a

government like ours, whose institutions are within the reach and influence of public sentiment, the remedy for bad laws, for error of judgment, for imbecility or unfaithfulness of public functionaries, is purely political. We may, from the self-governing principle in our organic laws, correct abuses, and at the proper time, change our agents and public officers, if from a real or supposed cause, they become obnoxious to public opinion; but, if it were desired, no repeal of laws can rid us of the obligations incurred by the acts of our constituted agents and representatives, chosen to act for the body politic; and it is a long and well-settled principle in the laws of nations, that no state or nation can absolve itself from the obligation of contracts, or from liabilities accruing from breaches of national law, even by a change in the form or national character of their government, whether voluntary or otherwise. A sovereign who becomes the ruler of a people by conquest or by conventional stipulations, in effect assumes, and is made responsible for their debts to others.

But the people of Indiana claim no exemption and seek no pretence to escape from responsibility. While in other states we have occasionally observed the mob triumph, putting law and public authority at defiance, *their* reverence for order and good government has not been diminished; and stimulated by like motives, they are ever ready to vindicate the honor of the State, and will hold up to public execration any attempt to violate her faith and credit. They know that under authority of our laws we have obtained money from strangers, who have confided in our integrity, at a low rate of interest, and for the long term of twenty-five years; that we have used that money with the expectation of bettering our condition and of receiving benefits in return for the outlay; that our bonds are in the hands of widows and orphans, as well as the more wealthy, whose support depends upon the payment of the interest on our part; and knowing this, the people of Indiana will never assent to any step that will subject them to the just imputation of legal plunderers, and to the reproach and scorn of our sister states, and of the civilized world.

From the subordinate relations in which they stand, from a sense of official propriety and respect for the Legislature, the Board would not venture to dictate a line of conduct; but as the law has invited, and made it their duty to speak freely on matters relating to the prosecution of our works, they have done so. The Board entertains no apprehensions of any action of the Legislature that would be injurious to our future prosperity. In our anxiety to confer immediate benefits on the various districts, our means have been directed among too many objects, leaving our works in their unfinished and unproductive condition, with a heavy debt upon us. Our chief means for relief will be in completing, in turn, the most valuable, and that we cannot do without future loans. It would hardly be expected therefore, that any step would be taken in disregard of the faith and credit of the State, when degradation and ruin to our future prospects would and should be the consequence. But while the Board has the fullest confidence in the integrity and prudence of the Legislature, it is not to be disguised that the credit of our bonds has been somewhat shocked, and that

the confidence of the holders has been shaken by the proceedings of a few of our own citizens. In the exercise of a privilege too valuable to be checked, great latitude has been taken in our discussions, of the propriety and manner of conducting our public works; propositions have been advanced by editors and others, in unguarded moments, wearing the semblance of resistance to our laws, which though innocent at home, have been taken advantage of by those whose interest it is to decry state securities that they may buy them cheaply. Individuals have also procured the publication of anonymous letters in New York where our supplies of money have been, and may in future be procured, misrepresenting the objects and sentiments of our people; and whether employed by, or conspiring with those who wish to buy our bonds cheaply, the effect is the same upon our credit, and our Fund Commissioners have been invited east to explain, and to protect the value of the bonds. The breath of suspicion falls upon state credit like mildew, proving that caution and prudence should mark the conduct of not only our State authorities, but of Editors and citizens who exert the least influence; for if from any cause there should be a decline in the value of the bonds disposed of, those negotiated hereafter must be disposed of at the reduced price. We owe something also to the innocent holders; those who have parted with their money for our bonds at five per cent. interest. Believing that the authorities of the State should speak in the proper tone, the Board has not hesitated thus to express its views.

The members of the Board will likely find enough to do in closing the business of the lines in their respective districts to the end of the fourth quarter of the year, whatever may be the result of legislative action; and relying on their ability to bring up and prepare all the accounts with contractors, leaving the files and books of the offices in proper order, they will not consider themselves in the receipt of the salary allowed by law after the first day of March, should the works not progress, and if there should thereafter be any need of the services of either of them, a charge will be made by the day for the time employed. In conclusion, the Board refers the Legislature to the annexed communication from the Chief Engineer

SAML. LEWIS,
N. NOBLE,
JNO. A. GRAHAM,

OFFICE OF THE CHIEF ENGINEER, Nov. 23d, 1839.

To the Board of Internal Improvement:

GENTLEMEN: The undersigned respectfully reports to the Board the following statement in regard to his action under their order of the 18th instant:

Immediately after the receipt of the order, a copy thereof was forwarded to the proper officer on each line, with directions to furnish each contractor, who was still operating, with a copy of the first part of the order, which required that, with certain exceptions, "the public works be immediately suspended."

In pursuance of the second branch of the order, which looked to "a

reduction of the corps of engineers, to the wants of the service under the suspension which has taken place, retaining as many of them and of such grade as the present condition of the works may require," the undersigned immediately took the necessary steps to dispense with all of the assistant engineers of every grade, the rodmen, axemen, &c., together with as many of the residents as could at this time be spared; retaining for a few weeks or months a part of the engineers of this grade, for the purpose of making the final estimates; arranging the account for final settlement with the contractors, and taking a general care of the interests of the state as connected with the works on the several lines, in their unfinished and exposed condition. The necessity for continuing in the state service for a limited period, some four or five resident engineers, arises chiefly, however, from the important settlements that are to be made with contractors on the suspended work.

The amount of unfinished contracts on the lines which have been suspended, is not less than two millions, including the late letting on rail road. To determine the relative value of labor performed on each job, and to make an equitable settlement between the contractor and the state, will be a difficult and responsible duty, especially heavy and complicated contracts, in which the aid of the resident engineer, who has been in the immediate charge of the works, and is familiar with all the facts, will be found very important to the state. I have requested three engineers retained to commence the revision of their books and accounts with a view to a final settlement; and so soon as the principles upon which such settlement is to be made shall be determined by the legislature, and the matter properly adjusted, the corps can then be further reduced, or entirely disbanded, if the operations should not be renewed.

On the Wabash and Erie canal, where a suspension was not ordered by the Board, the corps has not been wholly discharged, although I have requested the resident engineer to dispense with about half the number of his assistants and hands. The completion of the dams on this line, with the suspension of some of the jobs, will probably justify such reduction of officers.

Besides the corps on the Wabash and Erie canal, the whole number of engineers temporarily retained in the service will not exceed five, together with three superintendents of repairs on finished lines.

In respect to himself, the undersigned avails himself of this opportunity to remark, that, while he does not feel at liberty to abandon his charge at the present crisis, but would rather deem it his duty to render the state all the aid in his power in protecting her works finished and unfinished from the injuries to which they are exposed; yet, should the suspension of operations continue, he will for the future receive compensation from the state only in proportion to the time during which his attention to the public service may be required.

Respectfully submitted,

J. L. WILLIAMS.

	Amount of old contracts remaining unfinished on 1st October.	Amount of new contracts made this year.	Total payments made for Construction, Superintendence, and Damages since 1st March last.	Payments made by the former Board from 1st Dec. to 1st March last.	Amount due contractors on the 31st October.
Wabash and Erie Canal from St. Joseph Feeder to State line	42,120		156,296 18	21,681 24	42,980
“ from St. Joseph Feeder to the mouth of the Tippecanoe	95,911				20,640
“ from mouth of the Tippecanoe to Lafayette	30,577		76,235 71		14,757
“ between Portland and Covington	108,692				10,530
White-water Canal from Lawrenceburgh to Brookville	11,100				23,188
“ from Brookville to Feeder Dam near Laurel	119,242				72,500
“ from Laurel to the National Road, embracing heavy jobs only	188,950		143,091 38	139,574 51	50,533
Central Canal from Broad Ripple to Port Royal	1,224				8,389
“ below Port Royal	11,652		120,914 35	84,432 62	8,440
“ near Andersonstown and thence to Noblesville	263,699				74,764
Southern Division of the Central Canal	220,415		128,736 74	55,664 14	52,090
Cross-cut Canal	91,092		40,417 79	20,793 70	33,351
Erie and Michigan Canal	276,528		29,686 85	11,372 36	24,809
Madison and Indianapolis Rail Road, from Madison to Six-mile creek	42,066				8,700
“ from Six-mile creek to Edinburgh	256,458	285,165	72,614 48	66,077 12	26,034

New Albany and Vincennes road from New Albany to Paoli	-	4,404	95,895	57	122,338
“ from Paoli to Mount Pleasant	-	84,785			31,233
Jeffersonville and Crawfordsville Road, from Jeffersonville to New Albany	-	18,784	52,636	40	5,837
“ from New Albany to Salem	-	50,544			41,535
“ from Greencastle to Racoon creek	-	31,221	34,175	50	12,901
Indianapolis and Lafayette road, from Crawfordsville to Lafayette	-	31,593	32,003	19	18,602
Steam-boat lock and canal mill races at Delphi dam, as directed by special acts of the Legislature	-	53,556	4,030	00	895
		<u>2,034,613</u>	<u>986,732</u>	<u>14</u>	<u>399,595</u>
					<u>69,705,041 *</u>

*In addition to the indebtedness as above shown, the State will owe on the 1st Dec. for work done since the 31st Oct., together with the awards for damages, and the amount due to officers connected with the improvements, a probable further sum of \$150,000.

N. NOBLE'S REPORT.

To the Board of Internal Improvement.

The present being the meeting at which the Board expects a minute report of each member of the progress, and of all other matters pertaining to the several lines of the Public Works committed to his supervision, I now submit a brief exposition of what has been done upon those, for the correctness of which I am responsible.

After assigning to me the several works committed to my care at our March session, the first pressing duty, imposed by the Board, was that of leasing the Madison and Indianapolis Rail Road, and as there was no more urgent call for my services elsewhere, my attention, after the adjournment of the Board, was first given to that object. A notice was accordingly issued, through the newspapers, inviting the public to enter into competition, announcing, as the terms, that the State would furnish and retain the entire control over the motive power, the appointment and direction of all the officers and agents, and would keep the track, the locomotive and the train, in order; that the successful bidders for the business of the transportation of the mail, of passengers, and of the commerce of the line, should pay the expenses of fuel, water, oil; the salaries of the conductor, engineer and fireman, together with all other contingent expenses, and as a compensation to the State give a portion of the gross proceeds of the Road. On the appointed day, the 28th of March, taking into view the newness of the enterprise, the competition was more generous than was anticipated, and upon an examination of the bids the award was made to the Messrs. Branham & Co., they having proposed to comply with all the conditions enumerated, and to give to the State sixty per cent. of the gross receipts from all sources. The written agreement entered into, embodying all the stipulations and guards necessary for the preservation of the public property, was placed on the files of the Board at our June meeting.

Under the authority given me by the Board to appoint an officer to conduct the train, John G. Sering was designated for that service, his appointment having been reported and confirmed at the last meeting of the Board. His salary, including his board and every other charge, is something less than two dollars per day, amounting to \$700 per year.

I was directed at the March term of the Board to notify the owner of the ground and the undertakers, that the Board would not comply with the engagements of the Acting Commissioner, as entered into on the last week in Feb., amounting to about 14,000 dollars, for the lot, and the erection of a depot in the city of Madison, for the reason that the appropriation for the road had been previously exhausted, and because it was inexpedient to pay out such a sum so long in advance of the time when the building would be needed. A notice was accordingly given to the contractors for the building and they suspended, but as the Commissioner had made payment for the lot no notice was deemed necessary. The lot alluded to having only about seventy feet front is unfit for a general depot. It would answer for a Rail

Road Office; but when we view the cost of the lot, in connection with the probable cost of a building, it would be more economical to rent an office than to build upon such costly ground and pay the interest upon the money that would be expended.

For a depot Messrs. Sheets, Cushing and Marshall propose to donate an acre of ground at the foot of the plain, the deed for which be presented.

The second section of the inclined plain, so well known in our Legislation and in former reports, on account of the magnitude of the undertaking, embracing the deep cutting through the hill at Madison, is still in the way, and will, for some time prevent our reaching the steam boat landing, without incurring, as we now do, the delay and expense of a wagon conveyance from the river and city for all the business of the road. That work not being accessible, only a limited force can be applied to it, which is the great cause of delay in its completion. The contractor has kept upon it a force of about seventy hands, and is still at work upon his own resources, but it is not probable, should his means hold out, that the state will avail herself of the benefits to be derived from the running of the cars from the depot, at the head of the plain, to the river, short of from nine to twelve months. When that section, and a few rods of excavation in section three adjoining, shall be completed, there will be no impediment to the use of the line from Madison to Vernon, 22 miles.

When I went to the line in April, there remained in the hands of the commission merchant at New Orleans about 500 tons of the iron, which had been shipped from Liverpool the year previous. The whole quantity has been received and about half of it has been used in laying the track, commencing where the work was suspended last fall and extending to Vernon, leaving about 250 tons on hand.

The grading under the first contracts, from Vernon to the end of the 28th mile, being recently finished, was found too green and unsettled to receive the rails without making the future cost of repair and superintendence very heavy, and therefore it was deemed advisable to postpone laying the track, when we reached Vernon. The experience we have had has fully tested the excellence of the plan for laying the track, and I am gratified to add, that the work is so substantial that it has elicited the approbation of the visiting Engineers, as well as that of all intelligent and experienced travellers.

The repairs upon all rail roads are the most expensive until the sills of the tracks and the embankments are settled, and for that reason a greater force has been employed this season than will be required hereafter. The rubbish and earth thrown into the side ditches by the rains and frosts of the winter, have been removed, and the drains will now conduct the water from the bed of the road. Some other heavy and unavoidable expenditures have been incurred, though for improvement of a permanent character. Pivots have been constructed and an engine house sufficient to protect two locomotives, has been built. Heretofore the locomotive, at the end of each trip, has been run into the depot with the train of cars, which is found barely sufficient for the cars, and it has been always at the risk of firing the building from the flue and furnace of the engine. To be prepared for accidents a second locomotive, some extra wheels, springs, valves, &c., have been procured from Baldwin's establishment at Philadelphia.

At the last session of the Legislature a special law was enacted appropriating 400,000 dollars for the continuation of the rail road, and to carry out the object of the appropriation the Board, at its first meeting, directed me to take such measures as were necessary to prepare for a letting of so much

new work as the appropriation would justify, taking into view our liabilities for the unfinished work under the first contracts. The Chief Engineer, according to directions, caused the preparatory surveys to be made by a locating party, and attended in person to the final location of the line. The one adopted was more favorable than, from the topography of the country, was supposed could be procured; and that which adds much to its excellence, is the fact, that there is not a curve, perceptible to the eye, for the distance of 18 miles, it being always the object of engineers to avoid curves, inasmuch, as accidents, and injuries, chiefly happen at such points. After giving the usual notice, a letting was made at Vernon on the 18th of June. Although the appropriation was sufficient for the grading of the line to Edinburgh, a distance of twenty-nine miles, twenty-four miles only were put under contract, the Chief Engineer not having an opportunity to make so full an examination of the two proposed lines, from Columbus to Franklin, as was desirable, in time for a definite location to be made. I was therefore authorized by my colleagues to put out, subsequently, an additional quantity of work, keeping within the appropriation. After continuing the examinations to the satisfaction of the Engineer in Chief the line from Flat Rock to Edinburgh, was finally located, and the remaining five miles from the end of the June letting, were prepared for contract and have been let out at about 7,700 dollars, being an average of about \$1,540 per mile. The average cost of the line embracing 29 miles, including all the masonry, and other mechanical structures and superintendence, is about 9,874 dollars per mile. As the subject will be noticed by the Chief Engineer in his report, and as the duty and responsibility of locating lines belongs principally to his department, I will only say that the Edinburgh route was preferred, for the reasons, that the cost is about the same, that the distance is not increased more than 1000 feet, that the route will be the best and safest when finished, that it is suited to the present roads and business points, will accommodate a greater amount of the business of the country, and is freed from the objection of curves, that could not well be avoided on the other proposed route by way of Maj. Tannehill's mills. ~~These views were made up from the result of the observations~~ so far as taken by the Engineer, and in them I have the concurrence of the Engineer Department, and of my colleague on the Board whose duty it was to confer with me on the subject.

In the outset of this report the board was informed that the road was leased to the Messrs. Branhams & Co. commencing the 1st day of April, and the board is aware of the fact that at the time of entering into the arrangement with the company, all the passengers, merchandize, and other freight were conveyed by wagons, from Madison, to the depot at the head of the plain, on the top of the river hill, a distance of more than two miles, and then, after being conveyed seventeen miles on the road, as far as the track was laid down, were again put into wagons and conveyed to Vernon by the Company, a distance of five miles. In this way all the business of the line was conducted until the first week of June, when (the track being laid to that point) the locomotive was enabled to reach Vernon. Since the

making of the contract, the monthly receipts, as per report of the conductor, are as follows:

For April	-	-	-	-	-	\$849 38
" May	-	-	-	-	-	1,340 82
" June	-	-	-	-	-	1,972 25
" July	-	-	-	-	-	1,672 25
" August	-	-	-	-	-	1,489 22
" September	-	-	-	-	-	1,156 60
						<hr/>
						8,470 52

Under the disadvantageous circumstances before mentioned the Company could control but a portion of the business between Madison and the interior; and when we take into view those disadvantages, when we recollect that the merchants of the interior had chiefly received their spring and summer goods, or had made engagements for wagon transportation before the road was leased, and that the river has been too low for safe navigation the latter part of the summer and fall, we find reason for encouragement that the receipts from the line should amount to \$8,470 52 in the six months. Claiming none of the advantages to be realized by the completion of the line from the top of the hill to Madison, nor of the increase of business from the increased length of the line, the receipts, at the same rate, on the whole distance to Indianapolis for one year, would be over 65,000 dollars. That sum however will fall far short of what will be realized, and enough has now been ascertained to satisfy any one acquainted with the business of the interior that the income for the first year after the work is finished will be at least 100,000 dollars.

The arbitration with Joseph Hendricks the contractor on the second section, which was authorized by law, was entered into in June and closed in the month of July. On the part of the state Thomas J. Todd and Darius Lapham were selected by the Board, and Victor King and Jacob Haas were chosen by Mr. Hendricks. The members thus chosen in behalf of the state and of Mr. Hendricks, being directed by law to choose the fifth member of the Board of arbitrators, M. R. Stealy, Resident Engineer of Kentucky, was selected. The arbitrators, having the power under the law to make that appointment, chose Mr. Stealy also, as the Engineer, whose duty it should be to measure the work, and to enter into any other investigation in relation to the contract and the work performed, that might be necessary. After an interchange of the names of the arbitrators chosen by the parties and before the time agreed upon for their meeting, I received from the counsel of Mr. Hendricks the following bill of items upon which he rested his claim for damages:

Joseph H. Hendricks complains of the State of Indiana and says that he has been performing work and labor for said state on the 2d section, 1st division of the Madison and Indianapolis Railroad under a contract of which the one herewith filed is a counterpart marked (A.)

Said Joseph H. Hendricks says that under said contract he has performed extra work on said section to amount of	\$3,000
Extra excavation and filling in at the platform	920
Excavation and embankments which ought to have been included in former estimate but never has been estimated.	15,000

Damages sustained by arbitrary, unnecessary and oppressive orders of engineers	3,000
Damages sustained by securing and protecting the state road and the travel thereon	4,000
Damages sustained by slipping of embankment from 27th Nov. 1838 to 1st June, 1839 at 700 per month	4,400

JOSEPH H. HENDRICKS.

By Marshall & Bright his Attys.

June 5, 1839.

On the day agreed upon, (22d June) the Board of Arbitrators was organized, and after entering upon the various duties devolving upon them continued the investigation about a week, when to afford time to the Engineer and for the purpose of procuring absent testimony, the Board adjourned to the 8th of July.

At the second meeting the subject was resumed, and after a week's patient and laborious investigation the Board reported an award of \$1,835 00 to Mr. Hendricks, in addition to all costs and charges, which however embraces all the work done from the previous estimate to the date of the award, and leaves only about \$2,800 00 on account of the claim for damages.

Although the opinions of the representatives of the state may not accord with the judgment of the Board in every particular, yet the testimony and facts brought forward, and the high character of the gentlemen appointed, were such that after a conference with the counsel for the state and the Chief Engineer, an appeal was not thought advisable.

The act under which these proceedings took place made no provision for summoning witnesses, which compelled me to make the best bargain I could for the attendance of those contractors whose experience and opinions were necessary, to guard the interest of the state, in the various points which were likely to arise in the course of the investigation. Most of them were old contractors on the Madison road, were then engaged on our lines, and in Ohio, and would reluctantly leave their jobs to remain a week or two. I was therefore under the necessity of stipulating for the payment of stage and steamboat expenses and such further sum as would remunerate them.

The per diem allowance to the members of the Board chosen

by Mr. Hendricks was	\$72 00
Mr. Todd's allowance and expenses	90 00
Mr. Lapham's fee	150 00
Mr. Stealy's allowance as a member of the Board	150 00
“ fee as Engineer	850 00
Fees and expenses of state's witnesses	280 00
Twenty-six witnesses on the part of Mr. H. mostly from Jefferson county at 50 cents per day	158 00
Clerk's fees	2 05
Mayor's fees	1 87
Expenses of State Engineers who were ordered to aid in measurement of work, &c. about	45 00
Horse hire and hacks for the Arbitrators and Engineers in travelling from Madison to the job	9 00
Expenses of Messenger to Kentucky for Mr. Stealy, say	15 00

\$1,825 12

The above are the items of the bill of costs in the case, and it is to be wished that it will afford such an example as will induce the Legislature, for the future, to provide a cheaper mode or remedy, should they doubt the competency of the state officers or be unwilling to tax the proper committee of their body with the investigation of such claims. I would recommend that the subject be presented by the Board to the Legislature.

I omitted to state at the proper place, that owing to the illness of Major Haas one of the Arbitrators, Judge Hillis, by mutual agreement was chosen to fill his place.

The members of the Board have been apprised of a contemplated change in the grade of the road, by reducing the width required for a double track, as heretofore constructed, to that which is necessary for a single track. Such a change has been finally determined upon, which will reduce the cost of the 29 miles of new line upwards of \$30,000. The annals of Railroad making for some years rejected the idea of the sufficiency of a single track upon lines connecting commercial points. That theory, however, begins to yield to the opinions of scientific men, and to the experience given by the few last years, in systematising the business of Railroads elsewhere, and there are good reasons for the belief, that the capacity of a single but substantial and well constructed track, with a maximum grade as high as 40 feet, can be made sufficient for the commerce between almost any of the important points in the Union, without regard to distance. At a safe and moderate velocity for burden trains, a single Engine departing at each end of our road, can give conveyance to 100 or 120 tons of heavy commodities per day, running through in day light, and if the increase of business shall require it hereafter, a second engine and burden train may, in like manner, be provided, at a trifling expense compared with the cost and repairs of a second track. The passenger train leaving at the proper time will run through each way in six hours, for all of which it will only be necessary to prescribe regulations, as to the hour of departure, and of meeting at the half way point, and seeing that the officers conform to them strictly.

I lay before the Board the views and opinions of the Chief Engineer on the subject.

Before closing my remarks, I have to communicate to the Board some facts and disclosures of an unpleasant character, but which should not be withheld from it, nor from the public.

It will be recollected that Edward M. Beckwith, the Resident Engineer, had become obnoxious to a portion of the public, and to many of the contractors. He was charged with acting oppressively, in his official capacity, towards some of the contractors, by withholding their just earnings, and on the other hand it was alleged, that he was partial, and that, in the exercise of his favoritism, the public interest had suffered by over-estimating the jobs of those who stood highest in his favor. In consequence of these complaints, the Chief Engineer and Commissioner advised that the appointment of Resident Engineer for the rail road, should be postponed to the June term of the Board, and therefore the name of Mr. Beckwith was not offered at the time of the confirmation of the other nominations at our March session. He was however retained in the service under his former appointment. From March to June all the plausible objections were listened to, and although there were no developments positively establishing his guilt, yet the suspicions against him were too strong to admit of his being longer retained. Finding that he was not encouraged, either by the Chief Engi-

neer or myself, and knowing that we would have to report upon his case at the June term, he relieved us by giving notice to Mr. Williams that he would resign at the June letting, and that, in the mean time, he would prepare the records and files of his office, and so state his accounts, that his successor would understand them. When it was understood that he was not to remain in office under the new Board, those who dreaded his official influence were more free in communicating what they knew or suspected. Among others, a Mr. Lefever, a contractor on the first work let upon the road, informed one of the subordinate engineers that he had given Mr. Beckwith at one time, whilst his work was on hand, the sum of 500 dollars, and at another 400 dollars. These sums he says he viewed in the character of bribes, and named the transaction to one or more friends. As an excuse for himself, he says Beckwith asked him for the money, that all he possessed had been expended on his job, and fearing that he would incur the displeasure of Beckwith and be driven to insolvency by the withholding of his just earnings, he thought it better to comply than risk the consequences of staking his word against Beckwith's denial, if he should attempt to expose him. These particulars seeming sufficient, the Chief Engineer made the necessary affidavit, and Beckwith was brought before the Mayor of Madison, and was recognized and let to bail, but did not appear for trial, at the late term of the Court. These events induced a re-measurement of the largest suspected job which exhibited an over-estimate of \$15,000 beyond the sum that should have been paid according to the contract prices. Suit was immediately brought against the contractor for the over-payment, and a lien taken upon his property so far as it could be reached. It will however fall very far short of paying the money. Beckwith was also arrested and held to bail in a civil action, but escaped from the custody of the sheriff.

In order that a correct and impartial measurement of the suspected jobs might be had, by an engineer free from influence of state officers, Mr. Lapham of Ohio was requested to attend upon the line and perform that service, in conjunction with the Resident Engineer, T. A. Morris. The result is that over-payments have been detected in seven cases, amounting to 25,000 dollars, and in two cases there have been discovered balances due to the contractors of 1,100 dollars. That Beckwith shared in the over-payments in one or more cases, there is no room for doubt, but we have no sufficient reason to suppose that all the contractors, who have been overpaid, participated in his guilt. Civil actions for the recovery of the over-payments in all the cases have been and will be instituted.

These occurrences have demonstrated the necessity of additional legislation, such as is now unknown to our statute books. Had there existed some summary mode, in the form of attachment or treasury warrant, resembling that placed in the power of the officers of the United States, a large sum could have been saved. But as such a remedy was not provided no steps could be taken to prevent Mr. Beckwith from selling property and collecting his money at interest, amounting to some 12,000 dollars, acquired, no doubt by his corrupt conduct.

I owe it to the Chief Engineer to say that he has done all in his power, and to him is due the chief credit of making the discoveries above named.

JEFFERSONVILLE AND CRAWFORDSVILLE ROAD NORTH OF GREENCASTLE.

This work being classed among what has been commonly denominated

the detached lettings, having no connection with other work, and being one of those where the outlaying of the public funds would not soon be productive of tolls, the Board gave me special directions with the view of transferring the contracts to the main line of the Wabash canal below Lafayette. That duty was performed by visiting the work to ascertain the terms upon which the contractors would consent to a removal. These contracts at the letting covered a distance of 15 miles. Of the amount of work put out, the major part was for mechanical structures, such as cut stone masonry, culverts and bridges. Of the remainder, a few jobs were for heavy grading of a light character. I found that the previous expenditures had been principally for materials and work upon the masonry and superstructures of the bridges which could not be removed elsewhere, had the contractors consented, which however they refused to do without a compensation that would sacrifice the work. Some of the undertakers for the earth work or grading, refused to go at any rate of compensation, and others demanded such sums as could not be given. Under these circumstances I saw nothing to encourage the wishes of the Board, and finding that a part of the contractors were citizens of the neighborhood, and acting as is natural, from the influence of local feeling, I saw no inducement to renew the proposition to the dissenting parties had the terms of others justified the measure.

The portion of the annual allowance, for the public, of \$1,500,000, awarded to this division being \$25,000, has been exhausted and the work has been well done.

THE CENTRAL CANAL—NORTHERN DIVISION.

On this work there have been three lettings. The first was called the Indianapolis Division, beginning at the feeder dam north of Indianapolis and running down the valley of White river to the Bluffs in length about 25 miles. The second letting extended north of Indianapolis 55 miles, and included the heavy work between the feeder dam above town and the summit level between White river and the Mississinewa a tributary of the Wabash. The third letting was for 16 sections, 8 miles, beginning at the feeder dam at the Bluffs below Indianapolis, and running down the river to the vicinity of Martinsville.

In letting the water into the Indianapolis Division last fall, a breach was made at one of the bluffs above town which prevented the filling of the line until the injury should be repaired. As soon as the weather in the spring would permit, that breach was repaired, the banks were strengthened, and the line was filled. The few sections on this Division that were finished too late in the fall to be received, and which could not be completed on account of the approach of winter, were finally estimated and received in the spring. With the exception of the planking, or frame work of the sides of the locks, below town, the line is ready for navigation, to Port Royal.

The 16 sections last let out between the Bluffs and Martinsville, being also classed with the detached lettings of the last year, the Board viewed the expenditure there as an unprofitable outlaying of the public money for the present; and wishing to comply with the object of the modification act, I was directed by the Board to propose a transfer of the contracts to the main line between the seat of government and the Wabash canal. An interview was accordingly sought and obtained with the contractors, at which, in the language of the act, an equal amount of work with the expense of removing

was offered. At that time and subsequently, the proposition was accepted by most of the contractors, and transfers have been accordingly made to the amount of \$62,000. This line from the Bluffs to Martinsville, can be cheaply made, and as there has been an expenditure of 30,000 dollars in the construction of the feeder dam, in addition to the work performed before the transfers were effected, amounting to \$40,000, at the proper time, the state will find it her interest to resume the work; but as the million and a half allowed by law, will not extinguish the contracts, for upwards of three years, if the prominent works are pushed forward, the Board deemed it the best policy to expend the money where it would not lie idle so long, and therefore the transfers were ordered, in accordance with that provision of law as before stated.

In the character of the work north of Indianapolis some changes have been advised by the Chief Engineer. In consequence of the scarcity of stone and its high price, timber will be substituted in the construction of a portion of the locks, originally proposed to be built of stone. In such cases, the timber being perishable, the contractors have been stopped, and other work offered in exchange. Many of the contractors designed completing their jobs this year, but on account of the limit to the disbursements on the line in the annual allowance made by law for carrying on the public works, their plans were abandoned. The progress, however, has been as rapid as could be expected. The summit sections south of the Mississinewa river, the various mechanical structures, and other heavy jobs, are sufficiently advanced under the limit imposed. The intermediate and light sections, have been chiefly occupied by the transfers before mentioned. To connect the line of the Indianapolis division, with the 55 miles north, there yet remain to be put under contract, the aqueduct at Andersontown, and about 14 miles, including the space from the feeder dam north of town, to the work under way below Noblesville.

For the amount of work performed, debts due, &c. I also refer the Board to the general abstract submitted at the close of my report.

CROSS-CUT CANAL.

At the first meeting of the new Board, some delicate and important duties were entrusted to me, in reference to a portion of the work on this line. Desirous, as far as practicable, to carry out the design of the Legislature in the passage of the modification act, as to the transfer of contracts where the expenditure of the public funds would, for the present, be unproductive; and finding from the opinion of the Engineer Department, that there was a large sum to be expended for stone locks on this work, which would not be needed in conducting the water to Terre Haute, the only valuable object to be attained, or expected until the Wabash Canal should reach that point, and learning, also from the same source, that the stone discovered thus far, for that purpose, were not sufficient, and that it would be better to substitute timber at the proper time; I was from these considerations directed by the Board, to ascertain the terms upon which the lock contracts could be transferred to the main line of the Wabash Canal below Lafayette, and if not agreed upon, to report the terms upon which they could be rescinded.—Terms were accordingly invited through the Resident Engineer, and subsequently proposed in person, but without success until the last of May, when Messrs. McCarty and Riner, with contracts to the amount of about 27, 00

dollars, were transferred as stated in my report to the Board in June, to the Wabash canal. Andrew Wilson, assignee of Wernwag and Colstock, and Wilson and Fellenger, with contracts to the amount of about \$30,000, refused to be transferred to the Wabash line; but as an indemnity for opening quarries, erecting cranes, and all extra charges heretofore demanded, agreed to take the sum of 1500 dollars and cancel their contracts; upon which terms I was authorized by the Board at the last meeting to close the matter, and accordingly did so.

The whole of the line had been placed under contract, and the work was found to be in an advanced state. The unfinished jobs were principally heavy, and on the first of December amounted to 228,000 dollars, all to be completed this year. In the allotment made by the Board at its first meeting, of the million and a half allowed by law for all the works, the sum of 70,000 dollars fell to this line, for distribution among the contractors, amounting to less than thirty cents to the dollar, of the work to be done. The proportion being small, the contractors, of limited means, could not proceed with their jobs. Those whose private resources would warrant it, continued operations. The whole amount of work performed since the 1st of March, will be found in the general table.

The contractor for the Feeder Dam on Eel river, a job that amounts to 53,000 dollars, after hearing of the failure to procure funds for the public works, gave notice that he could not proceed without some assistance. Having already expended over 40,000 dollars in laying the foundation and building the abutments and guard banks, the sum was too great and the permanence of the structure of too much importance to the value of the line, to be left exposed to the dangers of the floods of the winter and spring. To preserve it, I thought it my duty to make an effort by representing the case to the Terre Haute Branch Bank, and asking for the aid required by the exigency. Notwithstanding the liberal advances before made to keep up the works, the application was promptly met with an advance of 6,000 dollars, and the tender of the additional sum that might be needed to accomplish the object.

WHITE-WATER CANAL.

The first public letting upon this work was made in 1836, extending from the basin on the high ground or second bank at Lawrenceburgh to Brookville, about 31 miles, and amounting to 635,000 dollars. There have been constructed three feeder dams, with cut stone abutments, about twenty stone culverts of various dimensions, and 20 locks built upon the combined plan, the outer walls of stone, lined with oak plank, which can be removed and renewed at pleasure. The water-power created at the dams and locks, is estimated at 190 run of four and a half feet stones. With the exception of the bridges over the pools of the dams at Brookville and Harrison, and some other light work on a few sections, the whole had been received at the close of last autumn's operations, and were in readiness for the introduction of the water.

The second public letting was made under the order of the first Board last year, from Brookville to Cambridge on the National Road, 39 miles, and included most of the heavy and expensive work, among which were 25 cut stone locks, 4 aqueducts, culverts, &c. On that part of the line from Brookville to Laurel, 16 miles, the light work was included, making it continuous.

In all then put under contract, the work amounted to \$564,000. But little progress was made on these contracts up to the time of the meeting of the General Assembly.

This is an outline of the condition and progress of this canal, when the new Board placed it under my care in March last.

That I might have the benefit of his experience, and be made acquainted with the condition of the works, I made my first tour over several lines with the Chief Engineer. We reached this work at Lawrenceburgh, the 1st of April. The canal being prepared for the letting in of the water and opening the navigation, my attention was first directed to a plan for connecting its commerce with the river. That question having been agitated before the members of the old Board, my colleagues are too familiar with it to need an explanation. I will however remark that the Canal had been terminated at the basin, near the brow of the second bank from the river, near the head of High street, at the upper end of the town of Lawrenceburgh. Without some change in the plan, all the descending produce for exportation would be subject to the delay and expense of hauling, from the basin, to the common landing place at the wharf near the centre of the town, something like a quarter of a mile, there being no wharf nor streets prepared above; and in like manner, all the salt, merchandize and other freight, upward bound, would be liable to similar charges and detention. The Cincinnati Branch Canal, diverging at Harrison, being under construction, it was too evident that if the trade from the upper counties should be delayed or taxed in hauling, or incur the expense of storage and commission fees, the trade would go to Cincinnati, and then the state, after laying out a large sum to build the Canal from Harrison to Lawrenceburgh, would be deprived of the tolls, and the Cincinnati Branch would reap the benefits. These considerations seemed to call for some step that would exempt the opening trade from these charges and embarrassments, to accomplish which, there was no remedy but that of approaching the river near the wharfs, that the cargoes discharged from canal boats might be re-shipped on steam boats or otherwise, with as little delay and expense as possible. The plan of my predecessor, as named to the old Board, and generally concurred in, was to take boats from the basin on the high ground, through a lock down to the low or first bottom, and thence to the brow of the river bank. Gen. Long having made a contract, yet to be performed, the only object of which was to let the water from the basin and mill-races pass over a tumble to be built of stone masonry, to the low ground, and thence to the river through a second tumble, it was thought best to connect the lock with the tumble, and then by widening the race to be dug through the bottom below, boats could reach the bank of the river. Upon an examination of the ground, however, an objection arose that equally applied to the race contracted for, and to a canal, that of being filled up or injured in time of high water. With the hope of avoiding this difficulty either partially or entirely, the subject was postponed until I could return in May. In the meantime the Chief Engineer caused surveys to be made, to ascertain the comparative practicability and cost of several plans for attaining the object. The result of the examinations was communicated to Mr. Williams by the Resident Engineer in the following report:

CONNERSVILLE, MAY 13, 1839.

MR. J. L. WILLIAMS—

SIR:—Enclosed I send a rough sketch and estimate of termination of Canal at Lawrenceburgh upon 3 plans.

You will perceive that I have made no provision in the estimates for bridges, basins, nor tumbles, and I send the estimates in detail, that you may make such alterations or additions as you may wish.

Plan No. 1, continues the line straight out to the river, and thence down to Tate's ware-house, keeping up the high level and raising the tow-path or guard bank to 15 feet A:

No. 2, follows the same line and level with both banks raised to 6 feet A.

No. 3, follows near the hill from end of section No. 1 to Tate's ware-house, locking down 12 feet—banks 6 feet A.

Estimate of Plan No. 1.

4,560 cubic yards excavation	at 12½ c'ts	\$570 00
79,953 " full embankment	at 20	15,990 60
Total		16,560 60

Estimate of Plan No. 2.

5,390 cubic yards excavation	at 13 c'ts	700 70
49,379 " full embankment	at 18	8,888 22
Total		9,588 92

Estimate of Plan No. 3.

7,215 cubic yards excavation	at 13 c'ts	937 95
2,345 " single embankment	at 15	351 75
12 feet lockage	at \$1,600	19,200 00
Total		20,489 70

Signed,

S. HOLMAN.

The 'Tumbles' spoken of by the Resident Engineer, had been contracted for by Gen. Long in his plan for conducting the water from the canal and mills when built, to the river—the first to be built in the side of the second bank, and the other in the bank next to the river, and therefore no estimate was necessary. The *bridges* named would be required under the contract made by my predecessor, or upon any plan that could be named, but their cost would be somewhat varied. A *Basin* was not found necessary, the lower arm being 80 feet wide.

By appointment I returned to Lawrenceburgh about the 22d of May. The ground between the town and the river being at from \$400 to \$800 per acre, the first object was to procure the right of way, and if possible to induce the owners, to build the front bank of the lower arm of the canal. A proposition

was submitted to Messrs. John, Brower, Stockman, Gibson and Coval, which was accepted, and a written agreement entered into, with a stipulation for the right of way and that the front bank should be made at their expense, which agreement I file with the Board. Col. James, the owner of the ground between the basin and river, agreed to give the right way, through to the brow of the river bank, and being unwilling to risk the injury to his ground, outside the banks of the canal, by digging up the earth to build them, he agreed to do the work at 18 cents per yard, being \$700 less than the estimate of the Engineer. He also agreed to exchange 450 feet front of his ground above the canal on the river, for that which had been purchased for water power. His written agreement I also lay before the Board. These preliminaries having been settled, the Engineer was directed to lay off the work on plan No. 2 named in his communication, by running out the canal to the bank of the river, on the same level, and extending an arm eighty feet wide down, near Tate's ware-house through the grounds of the individuals before mentioned, and with an arm extending also up the river 450 feet, to accommodate the rear of the land set apart for the use of the water power belonging to the state.

By a comparison of the cost of the several plans, the Board will find the difference between No. 2, the one adopted, and the one that had been contemplated, No. 3, is about 11,000 dollars, to which should be added the cost of the front bank of the arm from the main stem down to Tate's ware-house at the wharf, built by the individuals mentioned, and also the difference between the cost of the tumbles, and the price of race contracted for across the low bottom, making in all not less than \$16,000. In addition to that, boats will not be subject to the delay of passing a lock, the state will save the expense of attending to the lock, and have the benefit of the water that would be constantly used in passing boats each way through the lock.

A leading object of the trip with the Chief Engineer to this line, was to direct the manner and precautionary measures necessary, to exempt the work from the risk and injury to which all canals are liable while filling. The month of April being the appointed time for letting in the water and commencing the navigation, the trip was designed to meet the occasion, but the influence of the preceding rains prevented their accomplishment. At two or three points, where the canal had unavoidably been located at the foot of the hill projecting to the river, its channel had been obstructed by slips from the hills above, which required time to remove. These obstacles prevented the filling of the line till May, and with all the vigilance of the superintending officers, several small breaches took place, which again occasioned delay. The breaches being mended, the banks having been strengthened at weak points, and the line re-filled, no further anxiety or apprehension was entertained for an uninterrupted navigation. But when the boats commenced running it was quickly perceived, that the force of the water when first let in, had carried along the sand and other loose materials, until from their accumulation, bars were formed which impeded the passage of the boats. This occurrence obliged the officers to draw off the water and remove the obstructions, which postponed the regular navigation of the line till July, when the offices were opened and clearances granted. Although the occurrences recited were the cause of disappointment, they are such as happen to all similar works, and when we recollect that a large portion of the embank-

ments had been constructed of dry earth, and that there had not been rain enough to saturate and settle them, it is a matter of surprise that they have not sustained greater injury by the process of filling.

The business done since the commencement of the navigation has been of a light and transient character. The produce of the spring for exportation, and the merchandize and other articles of consumption for the interior, had found other modes of conveyance. As was expected, the leakage was so great that boats of the larger class passed the levels supplied above by the East Fork, with difficulty, but when the canal banks are settled, and when they are tightened by the sediment from muddy water thrown in by freshets, there will not be a recurrence of the difficulty. From these causes, and in consequence of the rate of toll being so high as to keep the price of freight up to about the prices charged by wagons in time of good roads, receipts from the canal have been comparatively small, about 600, for the time the line has been open (210 days.)

The rate of toll now charged, was fixed to suit the inland trade on the Wabash Canal, and it will be the duty of the Board at the present meeting to revise the present rates, or rather to establish a new tariff. In the performance of that duty, I would recommend that the rate of charges should be so reasonable as to encourage that mode of conveyance, and secure for the canal many articles that must be otherwise excluded, which will have the double effect of increasing the receipts, and of stimulating agricultural and other products of labor. To accomplish both objects, distance should not be the standard of charge. Articles, such as hay, lumber, shingles, grain, &c. that will not bear transportation from a distance, should not be charged by the pound or ton, so as to exclude them, and those who live at a distance from market, with like articles should be placed on the same ground as nearly as possible, with those living at shorter distances, except as to time and the expense of travelling the increased distance. Such a policy, instead of diminishing, will swell the amount of tolls, and extend the benefits of our works.

From Brookville to the National road, no effort has been required to push the work forward. Its progress has quite equalled the means applicable to the line, under the diminished supply of funds granted by the modification act. As upon the other lines, the limitation imposed, broke up the arrangements and plans of the operators. Many of them were prepared and intended to finish their jobs the present season, but the restrictions compelled them to relinquish their purpose. Others, whose preparations would not allow it, continued their operations upon their own resources and credit, but of these some discontinued, being deprived of their usual estimates. The work has generally been done so as to meet the approbation of the engineers. The opening of the quarries has exposed extensive beds of stone of excellent quality, and which were unknown to the oldest settlers. In consequence of this, the locks on the line, a prominent item in the cost of the work, are both durable and ornamental.

The contract authorized by the Board in March, for cement or water-lime, was closed with the manufacturer at Louisville, for 2,000 bbls at \$2 62½ per barrel, and it has been applied in the construction of the locks.

After the suspension, an effort was made to secure what had been done upon the dams, aqueducts, &c., most exposed to the floods of the spring, and it is believed they have been and will be left in a safe condition.

The contract for the lock above the National road, being at present an unnecessary expenditure, was transferred to the line below, in accordance with the order of the Board.

At the semi-annual meeting of the Board in June, I was authorized and requested, to take such measures as would enable me to put under contract, prior to the present session, an amount of new work not exceeding 224,000 dollars, the balance of the original appropriation, including the light sections between the heavy jobs heretofore let, between Somerset and Cambridge on the National road. That duty would have been performed, but before it became necessary to make the proper preparation of the line, the suspension took place. Believing that that event would influence the bids, and abate the competition, the propriety of the measure, under such circumstances, was thought too doubtful to proceed, and it was therefore abandoned.

Upon this and other unfinished portions of the canals under my superintendence, I designed offering the water-power created at the locks and dams, in advance of the completion of the work, which would have avoided the lapse of time that would otherwise happen, by enabling the successful applicants to procure the erection of mills and machinery, in season for the introduction of the water, and thereby render that source of income as profitable as possible; but for reasons like those named for declining to proceed with the letting, the purpose was relinquished.

In consequence of the failure to obtain funds to proceed with the works, I was notified in September, of the inability of the contractors to proceed with that let at Lawrenceburgh by my predecessor, Gen'l Long, for the stone tumbles and head and tail races, with the new contracts entered into for the completion and extension of the canal to the river, and with the canal bridge over the river at the Harrison dam, so necessary for the safe navigation of the canal. Finding these jobs so unsafe as to subject the state to the loss of all that had been expended, if left in their exposed condition, to the trial of the usual floods of the season, application was made to the Lawrenceburgh Branch Bank for the aid required, which was met with an advance of \$6,000, and an assurance of a further supply. That sum has been reimbursed from the means provided by the Fund Commissioners, to save the expenditures at this and other points.

The banks for the main stem of the canal, projecting from the basin to the river, as before described, as well as the arms above, and below to the wharf at the river, are making with carts, and when complete will be sufficiently compact to resist the floods of the river. The tumbles and appendages necessary to conduct the water from the canal to the river, have not been pushed forward as could have been wished, but will be placed in a safe condition, if the mildness of the season will permit it.

My predecessor, Gen'l Long, having appointed Nathan Brown collector of the tolls at Brookville, and Thomas Guard collector at Lawrenceburgh, before his time expired, in making the appointments authorized by the new Board, the same individuals were determined upon, but Mr. Guard having left the state to be absent during the summer, N. N. John accepted the temporary appointment, when the navigation commenced in July. The sal-

ary allowed these officers, is \$100 per year each, paid out of the receipts from the canal.

Upon the condition that they could be performed by the present engineers, and without additional expense, the last legislature authorized surveys for connecting the Central and Wabash canals, for the work through Henry county to connect the White-water and Central canals, and for the two roads through Rush county to White-water canal. The final location of these lines would have been gratifying to those immediately interested, but the Resident Engineer on White-water, having left the service on account of his health, and the Resident Engineer on the northern part of the Central canal, having extended his sphere of duties over the rail road, in place of Beckwith, after consulting the Chief Engineer, he ascertained the surveys could not be made without either neglecting the work that required the constant oversight of the corps, or incurring the additional expense of employing others, forbidden by law.

Provision being made by law, for the appointment of such agents as would enable the new Board to execute all the duties required of them, at our March session each commissioner was vested with power to employ one or more individuals to attend to the books, accounts, reports, and to make the regular payments to the contractors on estimate days. Finding such assistance not only necessary but unavoidable, under the authority given by the law and by the Board, I engaged the services of the persons named below, and for the various duties performed up to the close of the fiscal year, have allowed them the compensation named, which includes boarding, travelling expenses, horse-hire, and every other charge:

For the Cross-cut canal,	John Dowling,	compensation	\$90
“ White-water canal,	John Willey,	“	56
“ Rail-road,	John Lodge,	“	86
“ Central canal, 2 div's	D. Maguire,	“	102
“ Work north Gr'necastle,	Col. Sigler,	“	66

My experience for the year, has convinced me of the efficiency of the plan for disbursements, and of the system of accountability established by the joint exertions of the Fund Commissioners and the Board, sanctioned as they are, by the exactions of the late law. Payments are now made by drafts on the Fund Commissioners, delivered to the proper owner, in place of money. The commissioner only can draw drafts, and he is allowed to hold no money. He is authorized to draw to the amount of 2,000 dollars for contingent purposes, but is bound to account for it before he can draw again. Of that which is drawn, he is not permitted to place in the hands of another more than 500 dollars. Under this plan there is no excuse for an officer to retain money, and if he misapplies it, he is exposed to detection. These restrictions, it was feared, would be prejudicial to the public service; but my experience fully sustains the policy, for although my payments have been large, the Board will perceive that, with the exception of my salary, not more than one thousand dollars have passed through my hands, from the proceeds of my drafts. I have, however, drawn for small sums to be applied by other officers to special purposes. With these impressions, in place of recommending a change in the system, I would advise that it be strictly adhered to and enforced.

I regret, very much, that my public duties oblige me to call the attention of the Board to the continued applications for damages on the works assigned to me, and I lay before it an abstract, in tabular form, showing the extent of the extravagant demands. At the commencement of the works, no objection whatever was made by many who have now applied, and they have been induced no doubt, to do so from seeing a few receive damages no more entitled to them than themselves, and which were doubtless unjust towards the state and should not have been allowed. Having accumulated to such an extent as to constitute an important item of charge to the state, believing that the applicants over-rate their supposed injuries, and that they should not be paid, I have felt it my duty to resist them, and in doing so, I have unavoidably brought myself in contact with the opinions and interests of those worthy citizens who have applied. Appeals have therefore been taken, and so far as they have been adjudicated, the decisions of the courts have been favorable to the state.

That mills, houses, and in a few instances, lands, have been injured there is no doubt, and in such cases, the public officers should give every facility for remuneration to our citizens; but to suppose all the land-holders on the lines, those who reap the immediate benefits, are entitled to damages, would be doing injustice to those who live at a distance, and who contribute to the payment of damages allowed.

The Board will find, from the subjoined abstract, that the Commissioners appointed by the authorities of Ohio, have awarded upwards of \$15,000 to the citizens of that state, residing on that part of the White-water Canal passing through her territory. In these cases no appeal is allowed under the law of Ohio, and therefore, if deemed advisable, none could have been taken. About one-third of the whole sum allowed, was for injuries done to mills.

It is due to him to say, that the Hon. Mr. Bates, Commissioner of Ohio, who appointed the Board, attended to the investigation, and did all that was compatible with his duty to his state, and to his fellow-citizens, to make the awards reasonable and satisfactory to this state.

Our laws providing the mode for the assessment of damages to both land and timber, are susceptible of improvement, and should be revised and amended by the Legislature, being tedious, uncertain and expensive to both parties. Both parties have counsel generally, before the Commissioners and before the court; and before the Board of Commissioners, none of those long-approved and settled principles, relating to the competency and admissibility of testimony, are brought to bear upon the cases. It would appear to me to be better to open the doors of the courts at once, that the complainant may come in by petition, making it the duty of the prosecutors to defend the state, giving them a reasonable additional compensation, and then the expense to the state, compared with the counsel fees now paid, will be reduced one-half.

It is due to the contractors to say, that the Board should properly represent them to the Legislature. The restrictions placed upon their

operations, under the allowance of a million and a half, deranged their plans very much. Many of them, by agreement, were to have finished their jobs this year, and were prepared to do so, but by that restriction upon their estimates, they were compelled to make a two years operation, of that which they intended to accomplish in one. To those whose jobs were small, and who expected but a few hundred dollars of profit from their labor, the change was inconvenient, but being a measure of public policy, little complaint was made. Whilst shaping their business to conform to that policy, (the reduction of the amount of funds allowed) the suspension of the usual payments was announced and since the last estimate and payment they have proceeded upon their own means and credit, until both resources have been exhausted, hoping from month to month to get some relief.

Upon the first intimation of the failure to procure funds to meet the regular payments, I thought it my duty to put the contractors on their guard, and accordingly communicated it in a circular of the 18th of August, suggesting the propriety of reducing their force until all doubt was removed. Finding, early in September, that the prospect was not improving, but assuming a more doubtful aspect, and believing that every dollar would but swell the embarrassment of the state, until funds sufficient to complete some of the works, could be procured, I addressed another circular to the Engineers, requesting the contractors to suspend operations, and the 7th day of the same month, I addressed the third circular letter, again urging them to cease. I file with the Board copies of these communications.

Whatever else may be done by the Legislature for the contractors, I am of opinion they ought to have the "back pay," or per centage reserved by law. It is a part of their earnings and in equity they are entitled to it, if discharged. The profits of many will consist entirely of that arrearage, and particularly of those who have large and advanced jobs.

Madison and Indianapolis Rail-road.

Payments from 30th Nov. to 1st March			
by old Board	-	-	\$66,077 12
Construction since 1st March	-		66,590 12
Payments to engineers and other contingencies of locating party, &c.	-		5,137 11
Paid for damages and towards costs of Hendricks' case	-	"	887 25
			<hr/>
Debts due to contractors	-	-	34,734 00
			72,614 48

Central Canal—Northern Division.

Payments from 30th Nov. to March 1st,		
by old Board - - -	84,432 62	
Construction since 1st March -		116,075 66
Pay of engineers and commissioner		4,315 86
Other contingencies, yoke of oxen & pas-		
turing \$76, office rent, and expenses		
of office, &c.		468 83
Paid for damages - - -		54 00
		<hr/>
		120,914 35
Debts due contractors - - -	91,593 00	

White-Water Canal.

Payments from 30th Nov. to March 1st,		
by old Board - - -	139,574 51	
Construction since 1st March - -		139,073 37
Pay of engineers - - -		1,860 76
Other contingencies - - -		701 25
Paid for damages - - -		1,456 00
		<hr/>
		143,091 38
Debts due contractors - - -	146,221 00	

Jeffersonville & Crawfordsville Road North of Greencastle.

Payments to March 1st by old Board (none reported)		
Construction since 1st March -		32,185 00
Pay of engineers - - -		1,860 50
Other contingencies for office rent \$39, for		
stationary \$19, printing and binding,		
blank books, &c. - - -		130 00
		<hr/>
		34,175 50
Debts due contractors - - -	12,901 00	

Cross-cut Canal.

Payments from Nov. 30th to March 1st,		
1839, by old Board - - -	20,793 70	
Construction since 1st March -		32,888 98
Pay of engineers - - -		1,686 28
Other contingencies, for station'ry \$28 50,		
printing blanks \$15, office rent \$40 83,		
&c. - - -		122 00
Paid damages—& land for mills		5,720 53
		<hr/>
		40,417 79
Debts due contractors - - -	33,351 00	

ABSTRACT OF DAMAGES as claimed, awarded and paid under E. Long from 1836 to March 1839, and since attended to by N. Noble, Acting Commissioner.

NAMES OF CLAIMANTS.	Amount claimed.	When claimed.	Amount awarded.	When awarded.	REMARKS.
William McClure .	\$804 00		\$ 150 00	1838 Nov. 15	Paid by General Long
John Case .	817 95	1838 May 18	nothing	1838 Nov. 14	Suit abated by death
Allen Backhouse .	1,911 79		500	1838 Nov. 15	Paid by General Long
Joseph Bennett .	4,710 00		500	1838 Nov. 15	do
John T. Cooley .	1,709 50	1838 May	520	" "	do
Thomas Shank .	1,095 00	" " 21	400	1838 Nov. 15	do
David Guard .	100 00	" " 18			Withdrawn
Ezra Guard .	300 00	" " 18			do
Job Miller .	1,850 00	" " 18	400	1838 Nov. 24	Appealed and withdrawn by claimant
Jacob Hays and Job Miller .	3,400 00	" " 18	540	" "	and yet unpaid
Jacob Hays .	1,700 00	" " 18	160	1838 Nov. 24	do
Moses Hornaday .	1,000 00	" " 1	150	1839 Oct. 18	Appealed by complainant
Joseph Bray .	1,000 00	1838 May 31	nothing	1839 Oct. 18	Appealed by Bray
Finley Cooley .	2,000 00		275	Nov. 15 1838	Paid by Gen. Long
Wm. West, Fin. Cooley & Wm. Chance .	1,500 00		30	Nov. 13 1838	Paid by General Long
James Blackledge .	250 00		nothing	1839 Oct. 18	
James Blackledge, guardian for H. Man- waring and others .	1,000 00		nothing	1839 Oct. 18	

Isaac Adair	-	1,320 00	1838 Aug. 14	50	1839 Oct. 18	Appealed by Adair
John Wildridge	-	825 00	1838 Aug. 14	nothing	1839 Oct. 18	Appealed by Wildridge
Eli Stringer	-	1,000 00	"	350	" May 15	Appealed and nothing allowed
H. W. Smith, and Purdy Smith	-	1,000 00	" 14	nothing	" May 15	Appealed by Smith
David Virtue and Mary Ann Virtue	-	500 00	" 10	30	" Oct. 24	
John and William Cummins	-	20,000 00	"	5 150	" May 16	Appealed by Noble, and pending
T. Brackenridge, C. Brackenridge, and Ann Maria Brackenridge	-	5,000 00	1838 Nov. 16	nothing	" May 15	Appealed by Brackenridge
John Case's administrator	-	1,817 00	" 22	nothing	" Oct. 17	
Henry Scott	-	1,012 00	" Oct. 27	200		Due him
Samuel Rockafeller	-	920 00	" "		1839 Oct. 17	Dismissed for want of form
John Crandon	-	200 00	"	44	" Oct. 23	Due him
Thos. W. Brackenridge & W. Pursell	-	8,000 00	"	7,500	" May 18	Appealed by Noble and pending
Thomas Hansell	-	2,020 00	"	nothing	" Oct. 19	
John Hansell	-	1,326 00	"	nothing	" " 19	
William P. Marshall	-	1,230 00	1838 Nov. 26	nothing	" " 19	
Joseph Bray	-	1,200 00	"	nothing	"	Appealed by Bray.
George Bowlby	-	250 00	1838 Dec. 1	50	" 19	Due him
Moses Bowman	-	1,000 00	"	50	"	Appealed by complainant
Isaac Mettler	-	1,850 00	"	nothing	" 19	
Dauid Strunk	-	1,000 00	"		"	Withdrawn
Abraham Hiter	-	500 00	"	100	" 18	Stands so
John G. Eckles	-	500 00	1838 Nov. 22	300	" May 16	Appealed by Noble and pending
Joseph Hayes	-	2,040 00	"	250	" Oct. 22	Due to him
Thomas Miller	-	1,900 00	"		"	
John P. Case	-	200 00	"	50	" 17	Due him
Elijah Burkham	-	396 00	"	nothing	" 23	

John P. Case and Abraham Hiler	500 00	1838 Dec. 4				
Moses Garrison	1,200 00	" Sept. 4				
Spencer Wiley	1,200 00	" Aug. 26	195		1839 May 16	Appealed and nothing allowed
John Barto	1,070 00	" " 27	100		" Oct. 17	
William Tyner	3,000 00	" " 30	1,000		" May 16	Appealed and \$220 given
L. Dewees and others by S. Wiley, next friend	1,000 00	" " "	125		" "	Appealed and nothing given
Nancy Dewees	1,200 00	" " 26	205		" "	Do
Philip Mason	1,562 00	" Nov. 10			" Oct. 22	Not acted upon
Andrew Morgan	2,493 00	" Dec. 22	150		" Oct. 22	Due to him
John Godley	1,350 00	" Dec. 22	900		" Oct. 18	Appealed and pending
Walter Hays	1,000 00	1837 Feb. 20	nothing		" May 15	Appealed and \$200 allowed
Daniel C. and John B. Carter	1,200 00	" Aug. 20	419 60		1838 Nov 20	Appealed by Tebbs and dismissed on motion of State's counsel
Mary Lafforge	1,000 00	" Aug. 20	800		1839 Oct. 22	
Warren Tebbs	6,000 00	" Nov. 29	nothing		" " 19	Stands unpaid
Stephen Ludlow	5,034 00	" Nov. 29	1,025		1838 Nov. 21	do
Warren Tebbs	6,000 00	1838 May 7	40		" " "	do
John D. Moore	300 00	1837 Dec. 20	25		" " "	Paid by General Long
Isaac Prudden	600 00	" "	900		" May 16	
George Arnold	2,500 00	" "			" Oct. 22	Stands unpaid
Caleb E. Nourse and others		Feb. 1839	208		" " "	same
C. Miller and others, by next friend		Sept. 1839	185		" " "	same
Isaac Hays	775 00	Aug. 28 1838	270		" " "	same
Abiah Hayes	2,015 00		125		" " "	
Joseph Hayes			nothing		" " "	
Daniel C. and J. B. Carter	1,500 00					Not acted on
Walter Hays	1,000 00					Not acted on
William Pursell	1,000 00					

AN ABSTRACT of damages on Cross Cut Canal claimed and determined, the first assessment ordered under Col. Blake and the second in October, 1839, by N. Noble.

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Claimants' Names.	Work by which injured.	Amount claimed.	Amount allowed.	Remarks.
John Scott	Sec. 167 W. & E. C.	1,000	600	Paid
Evan Rawly	Eel river feeder	600	nothing	Appealed—now pending
Wm. Marrs	Sec. 166 X cut canal	600	250	Paid
do		30	30	Paid for Corn in the field
Wm. Stephenson	Sec 7 do	50	35	do do
Thos. Pugh	Sec 6 do	50	40	do do
Wm. Walden	Sec 4 do	30	25	do do
Abr. Baker	do do	30	25	do do
Charles Haynes	Sec 1 do	40	21	do do
2d appraisement.				
Wm. Walden	Sec 4 do	18	18	Corn destroyed
Abr. Baker	Sec 4 do	18	18	Corn
Ishmael Pugh	Sec 6 do	800	180	Appeal—under consideration
Thomas Pugh	Sec 6 do	900	180	do do
R. Puckett	Cross-cut	500	nothing	
Nelson Coltrin	Sec 167 W. C.	200	do	
Russell Ross	Secs 166 and 167 W. C.	1,500	do	Appealed by Ross
Chauncey Rose	Sec 166 W. canal	800	do	
John Burton	Cross-cut	3,000	400	Appeal—under consideration
Thomas Parsons	Sec 1 South C. C.	200	nothing	

AN ABSTRACT of lots and lands set apart and condemned by Col. Blake for the use of the Water Power at the two falls from the Cross-cut Canal in the town of Terre Haute, paid for by N. Noble.

Claimants' names.	Kind of property injured.	Work by which injured.	Amount allowed.	Remarks.
W. C. Linton's heirs	1 51-100 acr's hyd. purp's	Out lot No. 1	\$800	Paid
John Burton	11-000 acres hyd purposes	do 7	300	Paid
John Ross	1 63-100 do	do 7	1,800	Paid
John F. Cruft	29-100 do	do 19	2,000	Paid Tan Yard
Martin Church	16-100 do	do 20	250	} appealed and cir. c't allowed him \$300 for 1st cl'm, 250 for 2d, costs 19 03-\$569 03
do	17-100 do	do 20	150	
Abel Casto	21-100 do	do 20	175	Paid
do	3-100 do	do 20	35	Paid
Ransom Miller	7-100 do	do 20	70	Paid
E. M. Huntington	2 25-100 do	do 21	1,500	Paid

AN ABSTRACT of damages claimed and awarded on that part of the White-Water Canal passing through the Territory of Ohio, the Commissioners being appointed under the law and authorities of that State.

Names of Claimants.	Amount claimed.	When claimed.	Amount awarded.
Isaac Hayes	\$2,380 00	1837, Dec. 31	406
Thomas Miller	2,860 00	" " 31	532
Job Miller	2,840 00	" " 30	514
Walter Hayes	2,000 00		514
Enoch Hayes	4,242 00		478
Charles Mills	1,975 00	" " 28	478
Thomas Williams	200 00		50
same	3,900 00	1838, Jan. 3	514
Amos Beeson	1,562 50	" Nov. 28	1,066
Thomas Hunt	1,500 00	1837, Dec. 28	100
Samuel McHenry	1,066 00		653
Thomas N. Williams	1,000 00		400
Keturah Hunt	1,000 00	" " 28	200
Aaron Bonham	2,500 00	" " 27	578
Samuel Bonds heirs	3,280 00		350
same	20,710 00		3,000
Thomas T. Payne	696 25		450
Samuel Rees	6,500 00		785
Henry Sowers' heirs	3,500 00	1838, Feb. 20	920
Moses Garrison	1,200 00	" Sept. 4	450
Thomas Scoggin	1,000 00		450
Hiram Watts	1,100 00	" Dec. 20	450
Aaron Simonson	4,926 00		473
Ulick Burk	7,500 00	" May 28	858
Benjamin Greene	2,375 00	" Sept. 3	385
	81,802 75		15,054

ABSTRACT of damages claimed and awarded on Northern Division of Central Canal.

Names of Claimants.	Amount claimed.	Amount awarded.	Remarks.
Charles Neighbours	\$1,000	nothing	Appealed to C. Court and obtained \$445
Scipio Sedwick	550	\$300	Paid by Yandes
Nathan Culver	1,300	nothing	Appealed by complainant and pending
Richard Smock	not specified	do	
John Wishard	do	do	Appealed and nothing allowed
Joshua Hinesley	do	do	Appealed and confirmed by C. Court
Alexander Williams	do	do	Appealed and dismissed
Nathaniel West	do	700	Paid by Yandes
M. B. Newmann	do	60	do
William Jones, Sen.	do	nothing	do
John King	500	150	do
Hugh M. Glass	106		Not acted on
Harry Perry	not specified	nothing	Appealed and nothing allowed
Henry Dresslar	do	1,500	Paid by Yandes
John G. & James W. Park	500	100	do
John McFall	1,000	304	do
Lorenzo D. Wright	1,240	nothing	
Gilly Harris	not specified	20	
John Richey	1,000	nothing	Appealed by compl'n't & withdr'n & paid by Noble
Nicholas Sell	not specified	136	Paid by Yandes
Mark Harris	do	100	Appealed by him and pending
Mathews Williams	do	300	Paid by Yandes
Perham & Hardin	do	500	For stopping mill, paid
Salisbury Jones	do	100	Paid by Yandes
Nathan B. Palmer	do	100	do

Paid by Yandes	100
do	125
Appealed by him	nothing
Appealed by him and not tried	50
Paid by Morrison	250
Appealed and pending	nothing
Paid by former commissioner	325
Paid by Morrison	nothing
	125

1,000
not specified
1,300
500
stated at 3,200
not specified
do
do

Stephen Pitts
David Sell
James Van Blaricum
James Overball
Nathaniel West
Samuel Henderson
Isaac L. Senseny
Isaac Coe
Nathan B. Palmer

ABSTRACT of Damages on Rail Road.

Thomas Jones	\$400	May, 1839.	300	not paid, house to move.
M. S. Sturdevant	350		150	do injury to land.
James Tilton	600		40	paid do
John Vawter	500		50	paid, house pulled down.
John McIntire	3,000		nothing	appeal'd to c. court, nothing
G. Austin	500		nothing	allow'd, now in sup. c't.

Date when presented.	NAMES.	Amount claimed.	Amount allowed.	Date when allowed.	REMARKS.
November 1, 1836.	Saline Underwood .	\$200 00		May 10, 1837.	No appeal that I can ascertain.
" 1 "	Charles Johnson .	500 00		do	do do
" 14 "	Trustees school section 16	700 00		do	do do
" 15 "	William Fish .	450 00	50 00	do	Paid.
" 15 "	Thomas J. Story .	500 00			This claim was withdrawn.
January 27, 1837.	Thomas Trousdal .	500 00		May 10, 1837	No appeal that I can ascertain.
" 15 "	John Abbott .	500 00		August 14, 1837	do do
" 7 "	John McIntire .	3,000 00			This claim withdrawn I presume, and one substituted for \$8,000.
February 22 "	Trustees Church, Vernon	450 00	350 00	August 16, 1837	Paid.
" 21 "	John C. Gayer .	500 00	100 00	do	Paid.
" 22 "	D. D. Hutchins .	150 00	100 00	do	Paid.
" 22 "	Asa Smith .	300 00		August 14, 1837	No appeal that I can ascertain.
March 2 "	George Williams .	100 00		do	do do
February 22 "	John Vawter .	500 00			This claim was withdrawn.
no date "	Christopher McMinis .	275 00	50 00	August 15, 1837	Cannot ascertain from the books whether paid or not, but presume it was.
do "	Alex. Pennock .	60 00		August 14, 1837	No appeal that I can ascertain.
April 8 "	Elizabeth Taulman .	600 00	20 00	do	Appealed and verdict \$179 and 39 08 cost paid.
" 8 "	Jane Bland .	100 00	40 00	do	Paid.
" 28 "	Eleanor Payton .	75 00	20 00	August 16, 1837	Paid.
" 14 "	James Thirm .	400 00	50 00	May 21, 1838	Not stated whether paid or not and books in my possession show nothing on the subject.
" 12 "	Achilles Vawter .	150 00	85 00	do	In the same situation with the above, presume both are paid.
January 24 "	John McIntire .	8,000 00		October 2, 1838	Appealed to Circuit Court, got nothing, and appealed to Supreme Court.
no date "	Garretson Austin .	500 00		June 25, 1839	No appeal.
May 17 "	Thomas Calloway .	no amount	50 00	October 2, 1838	Paid.
July 12 "	Thomas Jones .	400 00	300 00	May 9, 1839	Not paid and no appeal.
October 2 "	M. S. Stuyvesant .	350 00	150 00	do	do do
January 16 1839	James Tilton .	600 00	40 00	do	Paid.
May 6 "	John Vawter .	100 00	50 00	June 25, 1839	Paid.

Stephen Pitts
David Sell

not specified

125
nothing

do
do
Appealed by him

SAMUEL LEWIS' REPORT,

To the Board of Internal Improvement.

INDIANAPOLIS, Nov. 15, 1839.

To the State Board of Internal Improvement:

GENTLEMEN—In conformity to an order of the Board of Internal Improvement, dated in March last, the undersigned proceeded to Covington; and after having made a personal examination of the whole work under contract at that point, letters were addressed to the different contractors on that division of the canal, to ascertain from them upon what conditions they would consent to a transfer of their contracts on that line, to a point on the same line in the vicinity of Lafayette.

The letting on this division embraces heavy work, which necessarily requires a very considerable outlay in the purchase of horses, carts, tools, and the building of some fifty shanties, in order to enable the contractors to commence operations; and it was found that these expenditures had been made, and that work had been performed to the amount of about ten thousand dollars. To effect the change contemplated by the order of the Board, the contractors required that they should be re-imburced in these heavy expenditures. I ascertained that the work had been let at low prices, and that such progress had been made and expenditures incurred, as to warrant the belief, that they would be completed at existing contract prices. The question then for consideration, was, would the interest of the state be promoted by making the change? After getting the terms proposed by contractors, and taking a general view of the whole matter, I came to the determination, that it would not, and reported against it. On this division of the canal, work was let last year, which amounted, at contract prices, to the sum of \$142,902. In consequence however of the restrictions imposed upon the contractors, by the order of the Board, under the act of last year, which limited the expenditures on all the public works, to \$1,500,000, but a small amount of labor had been performed up to the 1st day of November, viz: \$34,210; of which payments had been made to the contractors, of \$19,915; leaving a balance yet due them of \$10,295; and requiring a further expenditure in order to complete their contracts, of \$108,692.

The navigation on that portion of the line of the Wabash and Erie canal, which lies between Fort Wayne and Logansport, commenced about the 20th of April last, since which period it has continued for

the whole season, with but slight interruptions, a few breaches only having occurred, which were promptly repaired, and in a few days the canal was again put in successful operation. The postponement of the opening of the navigation of the canal, until the 20th of April, was in consequence of a breach in the aqueduct over Bull creek, occasioned by the January freshet of 1838, which was not completed until about that period. The contractors on the line of canal between Lafayette and Georgetown, and on the canal east of Fort Wayne to the Ohio state line, have, with a few exceptions, prosecuted their jobs with considerable energy, some detention having taken place on account of sickness and non-payments; but many who had suspended for the reasons just mentioned, have resumed operations, with the determination (unless prevented for the want of means) to prosecute their jobs to their final completion; and at this time, have a force equal to 559 men operating on the line between Lafayette and the Ohio state line.

A due regard for the interest of the state would seem to require, that provision should be made for the completion of the canal from Lafayette to the Ohio state line. This can be effected by giving authority to dispose of a part of the Wabash and Erie canal lands, granted to the State of Indiana by the General Government for that purpose, or otherwise, as the Legislature may direct. The propriety of completing this part of the line, is rendered obvious, from the fact that a small additional expenditure will be sufficient to effect the object, as the amount of labor yet to be performed on the line east of Fort Wayne, only amounts to the sum of \$42,120, and that which remains unfinished, between Georgetown and Lafayette, to \$126,488, making the sum of \$168,608, to which, add the balance due to the contractors for work done up to the 1st day of November, will constitute an aggregate sum of \$286,714. With that additional expenditure, we will then have a line of canal navigation through our state, for the distance of 144 miles; and should the State of Ohio complete her portion of the line, within one or two years, which it is to be hoped she will do, we shall then have a continuous line of navigation, by Lake and Canal, directly to the City of New York. This is a work too, which we have every reason to believe will yield annually to the state, a very considerable income; besides, it will be the means of inviting capitalists and enterprising individuals amongst us. To suspend operations on it for a period of even one or two years, would doubtless be a sacrifice on the part of the state, of some 25 to 50 per cent.; because, to enable us to re-commence operations on works which are now nearly completed, such additional prices would have to be given, as would compensate contractors for the purchase of new tools, the erection of new shanties and such other outlays as must necessarily be made, to enable them to complete a very small amount of work; and to do this, would require such advanced prices to be given over the existing contracts, as to cause to the state, a clear loss of not less than the sum stated above.

In order to complete that part of the Wabash and Erie canal, which lies between the Ohio state line and the mouth of the Tippecanoe river, it will be necessary for the Legislature, to give to the Board of

Fund Commissioners, authority to negotiate the sale of bonds, to the amount of \$150,000, in addition to the loans heretofore authorized.

Early in July last, the water was introduced into the canal between Logansport and Georgetown, embracing a distance of about 7 miles, but as no business was done on that part of the line until recently, it was not deemed necessary to bestow much time or attention to it. The repairs on this line for the present year, will seem to be large, amounting to \$12,395 91. Between three and four thousand dollars of this sum however, is justly chargeable to the year 1838, and a considerable portion of the residue, to mechanical structures, which were not viewed as being permanent, at the time they were completed. The disbursements to contractors for work performed on this line, from the 1st of March last, to the 31st of October inclusive, amounts to the sum of \$148,154 13.

There has been received for tolls on the canal at Fort Wayne office, for the present year, up to the 1st of November, \$2,364 82; at Lagro, \$327 40; and at Logansport, up to the same time, the sum of \$1,556 74; making in all, \$4,248 96; out of which the collectors have each been paid for their services the sum of \$15 per month. This sum will seem to be small to individuals unacquainted with the true situation and condition of the country; but when we reflect that it only embraces the trade and commerce of a country for the distance of 75 miles, which until recently was inhabited only by savages,—that the canal is new,—that it only covers the receipt of tolls up to the 1st of November,—and that the navigation did not commence until late in the season, for the reason heretofore stated,—much of any surprise arising from the smallness of the tolls received, must in reason vanish; and until the canal shall have been completed to the mouth of the Tippecanoe river, or to Lafayette, connecting with steam boat navigation on the Wabash river, or the state of Ohio shall have given us an outlet to the Lakes, the receipt of tolls cannot be materially increased.

Immediately after the organization of the Board in March last, circular letters were addressed to the several Resident Engineers on the following lines, viz: On the Erie and Michigan Canal, on the Indianapolis and Lafayette McAdamized road, and on the Covington Division of the Wabash Canal; with instructions to divide and apportion the sums appropriated by the Board, under the provisions of the Modification act, on the different lines among the contractors, allotting to each contractor a ratable proportion, except at points where the public interest would seem to require the greater expenditure.

On the McAdamized road between Lafayette and Crawfordsville, embracing a distance of 27 miles, the grading and bridging were put under contract last year, and which, at contract prices, amounts to the sum of \$87,736 70. On these sections, the contractors had, up to the 1st day of November, done work to the amount of \$56,143 94, and received the sum of \$35,096 19, leaving a balance yet due them, independent of the 10 per cent. withheld on the unfinished jobs, of \$18,601 89, and requiring a further expenditure to complete them, of \$34,-

038 62. Twelve sections have been completed, averaging in length about one mile, and four sections not yet commenced. The whole work, so far as reported to me, is in such a condition as not to sustain much damage, except the timber which is intended for the bridge over Sugar creek.

In the month of July last, a party was organized for field operations on the Erie and Michigan canal, and placed under the charge of W. J. Ball, Resident Engineer, an experienced and competent officer, with a view to ascertain beyond the possibility of a doubt, the extent of the drainage, and the amount of available water that can be introduced on the Elkhart summit. These surveys and examinations have been made with great care and attention, the result of which, when received, will be laid before the Board.

The whole amount of work under contract on this division, embracing a part of the feeder line, and two reservoir sites, at contract prices, is \$342,004; showing an excess of \$71,481, over the amount reported last year, which is chiefly owing to a depression having been made in the level through the deep cut, it having been thought necessary to do so, in order to obtain a greater supply of water. The amount of work performed on this line up to the 1st day of November, is \$65,476 27; the payments made to contractors up to the same time, is \$34,589 27; leaving a balance yet due them, of \$24,809; and requiring a further expenditure to complete them, of \$307,415. One section on the feeder line has been completed.

The Board having given me authority, under the law of last year, to call to my aid the services of one or more individuals, for the purpose of drawing drafts on the Fund Commissioners in favor of Contractors, Engineers, and other officers connected with the service,—and keep the accounts and make out quarterly reports on the various works assigned to me;—in pursuance of that authority, the appointment was tendered to and accepted of by Mr. John M. Wilt, who, in addition to the duties just stated, receives the applications of individuals applying for damages, for the right of way, and for stone and timber; and when it is not convenient for me to be present at the time fixed to investigate them, that duty is also performed by him. These services necessarily are arduous, for the reason that the applications are very numerous, presented at different periods, and scattered over the various works, and to investigate and attend to them in a proper manner, necessarily consumes a large portion of the time of one individual. Mr. Wilt has furnished a horse, travelled over the various works at periods fixed for making payments, bearing all his own travelling and other contingent expenses, and has performed all his duties in a correct, prompt and satisfactory manner, for \$3 per day, which, up to the 1st day of November, amounts to the sum of \$573.

The sale of the canal lands is very limited, and must necessarily continue to be so, until further selections are made, and some provision made for the sale of them; as all the lands heretofore selected for that purpose have been disposed of, with the exception of a few tracts of inferior quality. Between the 25th of November, 1838, and the 31st

of October, 1839, inclusive, only 5 tracts were sold, containing each about 75 acres, and amounting to the sum of \$1,619 18, of which there was paid at the time of purchase, the sum of \$404 79; and between the periods above stated, full payments have been made for lands previously sold of \$3,441 87, and for interest collected up to the same time the sum of \$10,908 28 has been received.

On the 24th day of May last, I addressed a communication to the Commissioner of the General Land Office at Washington City, on the subject of selecting the lands granted to the State of Indiana, by the general government, embracing those within the limits of the 10 miles, and the lands lying east of the Tippecanoe river, and calling his attention to the surveys recently made, which included the strip of six chains in width, granted to the state by the Miami tribe of Indians at the treaty of 1826; also referring him to a survey and map of the six chains made in 1834, by the Board of Canal Commissioners, a copy of which was transmitted to his office by the Secretary of State of Indiana, in January, 1835,—in answer to which I received a communication from him, dated the 26th of July, 1839, “stating that the surveys for lands ceded by the treaty of 1834, was expected to be completed in February last; and that he presumed the Surveyor General had found it more convenient to defer making them until they can be returned in connection with those of the contiguous lands, ceded by the treaty with the same tribe, of the 6th November last, and that the plats in regard to the six chains had been sent to the Surveyor General, at Cincinnati, with directions to retain copies in his office for his government whenever they should become the property of the United States.” Such being the case, no selections were made this season within the limits of the grant above alluded to.

Paid to Contractors,

For construction on the Wabash and Erie canal	-	\$148,154 13
Do on the Wabash canal	-	74,509 48
Do on the Erie and Michigan canal	-	23,599 27
Do on the Indianapolis and Lafayette	-	
M'Adamized road	-	30,480 19

Constituting an aggregate sum of - - - \$276,743 07
disbursed to contractors on the different lines stated
above from the 1st day of March last to the 31st
day of October, inclusive.

For this amount paid for contingencies on the Wabash and Erie canal east of Fort Wayne, from the 1st day of December, 1838, to the 28th February, 1839, inclusive, including pay of commissioner, engineers, clerk-hire, rodmen, axemen, office rent, fuel, stationary, &c. as per vouchers herewith submitted - - -

\$1,224 25

On the same line from the Ohio State line, to the mouth of the Tippecanoe river, from the 1st day of March to the 31st day of October, 1839, inclu-

sive, for contingencies embracing expenditures of a similar character	-	-	-	-	4,958 99 ²
For damages	-	-	-	-	178 96 ²
On the extension of the Wabash and Erie canal from the mouth of the Tippecanoe river to Covington, for incidental expenses covering charges for the same kind of service as stated above, from the 1st day of March last to the 31st day of October, 1839, inclusive; a portion of these receipts includes expenditures incurred by Col. Blake, Acting Commissioner on a part of this line, from the 1st day of Dec. 1838, to the 28th Feb. 1839, inclusive, but subsequently paid by me as per vouchers, &c.	-	-	-	-	1,554 74 ²
On the Indianapolis and Lafayette M ^d Adamized road from the 1st day of March to 31st October, 1839, inclusive, for expenditures of a like nature, a portion of these embrace expenses incurred by Dr. Maxwell, Acting Commissioner on this line, which were since paid by me, as per receipts, &c.	-	-	-	-	1,523 00
On the Erie and Michigan canal, for similar expenditures from the 1st of Dec., 1838, to the 28th Feb., 1839, inclusive	-	-	-	-	382 36
From 1st March last to 31st October, inclusive	-	-	-	-	1,583 41
For locating party, in part	-	-	-	-	1,493 42
For damages, as per vouchers, &c.	-	-	-	-	2,004 75 ²
For incidental expenses in the Land Department at Fort Wayne, from the 30th November, 1838, to the 31st day of October, 1839, inclusive, as per receipts, &c.	-	-	-	-	\$747 84 ²

The sums stated above embrace a large portion of the contingent expenses of the present year on the different lines just enumerated; but as I had no means at my command, the payment of the balance was necessarily deferred, but will however, be included in the next annual report.

Appended to this report the Board will find a tabular statement marked A, giving the names of individuals making application for damages, a description of the property, the sum claimed, and the amount awarded.

For a more detailed report of the various works placed under my immediate charge, I beg leave to refer the Board to the report of the Chief Engineer and those of the Residents on the different lines.

All of which is respectfully submitted,

SAMUEL LEWIS, *Acting Commissioner.*

Claimants' Names.	Property injured.	Amount claimed.	Award.	Recov'd
W. G. & G. W. Ewing	S E qr & E half of Lafountain tract T 27 R 3 E	800		about 850 appealed
John W. Miller	Godfroy section treaty of 1826 town 27 R 3	1,000		about 850 appealed
John McIntosh	N E qr section 9, town 30, range 13	2,000	900	appealed
Samuel Brown	W half N W qr 9 town 30, range 13	650	400	appealed
L. C. Thompson	N E qr 8, town 30, range 13	1,500	900	appealed
Absalom Holcomb	E half N E qr 9 and W half N W qr 10, T 30 R 13		200	appealed
L. & J. Scott	Pork house, Portland		700	
Jonathan W. Elliott	Mill.	8,500	1,700	paid
Gray & Swinney	Dam		300	paid
Andrew Yount and others	W half, N E & E half, N W qr & W half, S E qr 18 and E half S W qr, 19, town 22, range 4	200	65	
James Thornton	E half S W qr 14, town 23, range 4	171	70	
Elias Bedford	part E half N E 16, town 24, range 3	1,500	50	
Robert Heath	S E fraction 15 & W half N E qr 22, town 23 range 4	5,200	1,000	
Jacob Walker, guardian	section opposite the mouth of Wildcat	9,000	250	
Ira Smith	N E qr S W qr & W qr S W qr 2, town 23 range 4	2,500	85	
John W. Smith	part S W qr 14, town 23, range 4	2,700	172	appealed
Robert Hignman	S W qr 3, town 23 range 4	457		
same	part W half S W qr 20, town 24 range 3	73		
Daniel Neff	part Conner's reserve	400		appealed
John Steely		3,000	427	appealed
Charles F. Wilstsch				appealed
John Speece	part Conner's reserve	1,500		
Charles Marvin	fractional lot, Americus	350		
Samuel Hanna	E fraction S E fractional qr 32, town 21 range 8			

Elias Bedford	part E half N E qr 16, town 24 range 3	1,000
Lewis Johnston	bottom overflowed	333
Scott & Isler	lots 1 and 2, Portland	300
Wm. Rockhill	section 3 town 30 range 12	450
Francis Comparet	E half S E qr 11, town 35 range 10	12,000
Joseph Restine and others	ferry on NE and SE fr section 32 town 21 range 8	2,000
do	field on same	200
do	other damages on same	100
do	lot No 5, Portland	50
Sally Johnson	fractional lot No 1, Lafayette	
Mazy Vance	lot No 15, Crawfordsville	70
H. Lasselle		
John J. Davidson		
Isaac V. Harter	S W qr 36 & S E qr 35, town 24 range 4 and N h'f 1 and N fr N E qr 2 town 22 range 4	4,000
Jacob Wehr	S fr N W fractional qr 8 town 23 range 4	300
Joseph S. Hanna, guardian	S h'f w h'f s w qr 27 and N h'f w h'f N E qr 34 r 23 r 4	129
Charles Lyons	E half N E qr 22 and E h'f N E qr 27 town 23 range 4	800
John Ewing	S W qr 7 town 24 range 2	200
H. Lasselle	S half W half S E qr 29 town 25 range 2 timber and stoue	50 210

JOHN A. GRAHAM'S REPORT,

To the Board of Internal Improvement

Pursuant to an order of the State Board of Internal Improvement, made at their session in March last, placing under my superintendence the Southern Division of the Central canal, the New Albany and Vincennes road, the Jeffersonville and Crawfordsville road, and the improvement at the Grand Rapids of the Wabash river, I proceeded to examine the work as it had progressed on the different lines mentioned, and after consulting with the respective engineers, gave such directions for future operations as were thought most advisable.

I now submit to the Board a report of the progress made upon the several lines during the present season, and as nearly as possible, their present condition.

NEW ALBANY AND VINCENNES ROAD.

The contracts on this road, between New Albany and Paoli, a distance of about $40\frac{1}{4}$ miles, with the exception of a small amount of labor to be performed on two or three sections, are now completed, and toll gates will soon be put up for the receipt of tolls. The manner in which this road has been completed, is highly creditable to the contractors. The materials which have been furnished are of the first quality, and the work done is of the most durable kind; and I have no hesitation in saying, that it will bear a comparison with any other work of the kind. The advantages of this improvement may soon be realized by the citizens. The Board not having heretofore fixed the rate of tolls to be collected on Mc'Adamized roads, the necessity for so doing at an early period, will readily be perceived by the Board. It will be seen that the law which authorizes the board to establish reasonable tolls, and adopt all measures necessary for the collection and payment thereof, imposes no penalties for evading their payment, and is otherwise defective in its operations. To enable the collectors to enforce the payment of such rate of tolls, as may be fixed by the Board, the aid of further legislation will be necessary.

On the division of the road between Paoli and Mount Pleasant, a distance of twenty-seven miles, the grading and bridging is under contract. The work on this division of the road has progressed as rapidly as could have been expected. The contractors have labored under considerable difficulty in keeping up a force. Many of the bridge abutments have been somewhat delayed on account of the contractors not being able to procure a suitable number of stone cutters and stone masons. The grubbing and grading on eight sections have been completed, and on most of the other sections, the work is in a state of forwardness, and the culverts and drains have been nearly completed. Some of the bridge abutments, for the causes stated, are not so far advanced as would be desirable. The foundation of bridge

abutments, yet to be put in, are to be placed below low water in the streams necessary to be crossed on this division; and that being the case, the masonry might be commenced as early in the spring as the state of the weather will permit.

The grubbing and grading can be completed, and the bridge abutments, (with the exception of the crossing of White river) be in readiness for the superstructure by the first of July next. With this division of the road completed, that is, the grading and bridging, it would no doubt take the entire travel, and tolls would cheerfully be paid for the privilege of travelling over an easy grade, such as is here presented, rather than encounter the many high ridges of the old way.

With this portion of the road, including the bridging of White river, completed, with an additional expenditure of \$147,000, (as estimated by Mr. Stansbury in 1835,) which, if applied to the grading and bridging of the road between Mount Pleasant and Vincennes, a distance of $56\frac{1}{2}$ miles, toll gates might be erected and toll be charged for the travel on the whole extent of the road, and give us a continuous line connecting with the improvement now making on the part of the State of Illinois, on the most difficult part of the route between Vincennes and St. Louis.

Total cost of grading and bridging 40 $\frac{1}{4}$ miles	-	-	\$307,057 57
Or, per mile	-	-	7,445 62
Total cost of grading, bridging, and metaling	-	-	517,033 62
Or, per mile	-	-	12,537 19
From the 1st March to 31 October, 1839, there has been paid on contracts between New Albany and Paoli	-	-	73,471 70
Amount estimated to be due to contractors between the points mentioned	-	-	122,333 00
Paid within the same period on contracts between Paoli and Mount Pleasant	-	-	20,099 07
Amount estimated to be due to the contractors up to 31st Oct. 1839, on same division	-	-	31,233 00
Amount required to complete present contracts	-	-	91,181 00
Total amount paid within the period mentioned on the New Albany and Vincennes road for construction	-	-	93,570 77
Total amount do. due to contractors	-	-	153,566 00
From 1st March to 31st Oct. 1839, there has been paid on account of incidental expenses, the sum of	-	-	2,324 80

JEFFERSONVILLE AND CRAWFORDSVILLE ROAD.

On the first division of this road, extending from New Albany to Salem, a distance of $32\frac{3}{4}$ miles, the grading and bridging is under contract. Until late in the season the work on this road progressed well. For the want of regular estimates many of the contractors were compelled to diminish their forces, and others entirely ceased operations. Fifteen sections of this road have been completed, and the remaining sections are in a state of forwardness, and the culverts and drains on most of the sections are completed, the abutments for all the large bridges have been raised above the ordinary stage of high water in the streams, and the work could be renewed at an early period in the spring. The Silver Creek bridge is still in an unfinished state. It is probable that this structure might have been completed this season, could the contractors have been paid regular estimates. The

masonry laid, and the stone furnished under the present contractors, are of the most durable kind. This work could also be resumed at an early period in the spring. This bridge, it is to be regretted, has proved to be a source of great expense and trouble to the State. It will be recollected that an act of the last session of the legislature authorized the original contractor (Patrick McGinley) to institute suit against the State for alleged damages sustained by him, by reason of the Principal Engineer declaring said contract to be abandoned, the said engineer stating that the masonry laid by the contractor was imperfect in its character, and adjudged to be wholly insufficient to sustain a stone arch of eighty feet span. This suit has been commenced in the Floyd Circuit Court by McGinley, and was set for trial at the last term of the Court. But it was then agreed by the parties, that the cause should be heard by the Court on the 30th December, inst., and that the opinion of the Court then given, should be entered at the next regular session, as the judgment of the Court.

I attended to the taking of some of the depositions on behalf of the State, and to the cross examination of some of the witnesses on the part of the claimant, and deem it proper to state, State, that amongst the number deposing in this case, are engineers of high reputation in the service of the States and of the U. States; who concur fully in opinion with the Principal Engineer, and sustain him in his views in reference to that structure. During the last season, two sections on this road, were abandoned by the contractors, to wit: sections 14 and 35. The former was transferred to Messrs. Hallet, Warman & Co., at the former contract prices, with a condition in the contract, that the per centage which had been retained from the original contractor, be retained and divided amongst the laborers who had been in the employment of the first contractor, and failed to get the amount due to them. The other, section 33, was let to Messrs. Hays and brothers.

The fifteen sections now reported completed at an aggregate cost of \$61-844 84, were in Nov. last estimated to cost \$64,035.

The remaining eighteen sections are now estimated to cost the sum of \$116,532 73, exhibiting an aggregate of \$178,377,57, being \$2,745 43 below the estimated cost of 1838. Unless a further expenditure be incurred sufficient to complete the road to Salem, the present outlay will be entirely unproductive and of no advantage to the citizens. The location of this road is highly approved of, and should it be graded and metaled according to the location and plans determined upon, it will bear a comparison with any turnpike road in the United States.

The expenditures upon this road the last year, have been as follows, to wit:

From the 1st March to 31st Oct. 1839, there has been paid to contractors	\$44,437 07
Amount estimated up to 31st October to be due to contractors, between New Albany and Salem	41,535 00
Amount required to complete present contracts	56,349 00
Between New Albany and Jeffersonville, within the same period there has been paid to contractors	4,834 00
Due to contractors do	5,837 00
Amount required to complete contract	21,619 00
Incidental expenses paid within the same period	3,365 33

SOUTHERN DIVISION OF THE CENTRAL CANAL.

During the last season $19\frac{1}{4}$ miles of this canal have been completed, extending from Evansville to the feeder dam on Pigeon Creek, and also an extension of the main line, or navigable head race, about sixty-seven chains in length, extending from the lower end of the Basin in the town of Evansville, through Lamasco City, to the bank of Pigeon Creek, near its confluence with the Ohio River. That portion of the main line mentioned, has been completed at the cost of \$209,669, or per mile \$11,130 44, not exceeding the original estimate made by Captain Voorhies in 1837, more than one hundred and twenty dollars, and within the estimate made by him in 1838, 880 dollars. The extension or head race has been completed, at the cost of \$8,364 81, being \$635 19 under the original estimate.

For a supply of water for the canal which is now completed, we must rely upon Pigeon creek. It is believed that that stream will afford a sufficient supply of water for the canal, seven or eight months in the year, and give a surplus of water, which could be applied advantageously in propelling machinery.

I think it would be advisable early in the spring, to make a lease of the water power, which can be brought into requisition by means of the Pigeon creek feeder. We cannot expect that at the present, very permanent improvements for using the water power, will be made, as the supply of water for a portion of the year only, would not perhaps justify it, yet such improvements would no doubt be made, as would yield something to the State, and prove beneficial to the public. For that purpose a tract of land of six or seven acres, has been donated to the State by Messrs. Law, Scott, and McCall. This tract of land is situated on the margin of Pigeon creek, immediately below and adjoining the town of Evansville, at which point we propose using a part of the surplus water, where we have a fall to low water, in that stream of fifty-six feet. It is designed to use also a portion of the power at a point above and adjoining the town of Evansville.

Where an eligible sight for the purpose having been donated to the State by the Messrs. Ewings of the Wabash, their liberality as well as that of the other gentlemen named, would seem to entitle them to our particular acknowledgments.

Two sections above the feeder dam have been abandoned by the contractors. I declined putting them again under contract, from the fact, that the expenditure would have been entirely lost, until the intermediate heavy work which is now under contract between the feeder dam and Pigeon, and the White river feeder, should be completed.

For like reasons, I declined putting under contract, some twelve or fourteen miles of canal on this division similarly situated, which would have been a useless expenditure, and of no present advantage to the public, and which would have been productive of a loss to the State of near thirty thousand dollars.

The expenditures made upon this division of the canal will be unproductive, until the entire division from Evansville to the first feeder dam on White river, a distance of ninety-three miles, will have been completed. We have on this division about forty feet of lockage. White river affording a sufficient supply of water during the whole season of the year, the surplus water, after supplying the canal, could be profitably used in propelling machinery. The advantages to the country from this source, would

be incalculable. Should this desirable object be accomplished, the State would be measurably indemnified for the expenditure, the country enriched, and the just expectations of the citizens realized.

During the season, the heavy jobs under contract between the feeders mentioned, have progressed rapidly. The contractors for those sections have had long experience upon the public works, and have been able to rely very much upon their own resources in prosecuting their work, which has enabled them to keep up during the season a heavy force.

There has been expended during the last year on this division of the canal, as follows, to-wit:

From the 30th day of Nov. 1838 to the 1st of March 1839,	
there has been paid to contractors,	\$55,615 64
For incidental expenses within the same period,	1,558 31
From the 1st day of March to the 31st Oct. 1839, there has	
been paid to contractors,	125,125 85
For incidental expences within the same period,	1,916 08
Amount estimated to be due to contractors up to the 1st Oct.	
1839,	52,090 00
Amount required to complete present contracts,	243,444 00

GRAND RAPIDS OF THE WABASH RIVER.

It was made my duty by the order of the board, to act in conjunction with the commissioner on the part of the state of Illinois, in the improvement at the Grand Rapids of the Wabash river.

I regret that I have to report, that but little progress has been made on that important work the present season.

It was put under contract in November 1837. Under that contract about 820 cubic yards of stone was delivered, after which the contract was abandoned by the contractor.

On the 22d day of August 1838, the dam and lock were let in separate contracts; the former to Messrs. Baker, Riley & Co., the latter to William Mudge. Proposals were received for that work, based on the contingency of the stone used in their construction being procured from a quarry in the upper part of Martin county, from the quarry at Portersville, and from the quarry at Petersburg, situated on White River, at the distance of 50 and 135 miles from the site of the works.

In the early part of 1839, the stone of each of the quarries was condemned by the engineer, and considered unfit for the work. In this condition I found the matter resting at the time I took charge of the work in March last.

After a conference had early last spring with the commissioner on the part of Illinois and the resident engineer in charge of that work, it was found necessary to change the plan of constructing the lock, which had previously been determined upon, to that of a combined lock. The failure previous to that time to procure the quantity of suitable stone to build the lock, induced us to make the change as stated. That change being made, the commissioners entertained the hope that a sufficient quantity of stone suitable to the plan of constructing the work, as then determined upon, could be procured and that no further delay would likely take place.

From that time up to the 11th July, the engineer reported to me that he had made diligent search, and that he had examined all the stone quarries on the Wabash and White rivers adjacent to this work, and had been unable to

procure stone of a suitable quality to build the lock on the plan last mentioned. The question then to be determined was, whether the work should be delayed one or two years, for the joint action of the Legislatures of the two states, or an additional expenditure be incurred in constructing the work.

In order to have a full understanding of the subject, and to enable me to determine advisedly, the engineer was requested to furnish an estimate of the additional expense which would be incurred in procuring from the Ohio river, stone suitable for the work. The estimate being furnished, after examining the subject, I come to the determination to incur the additional expenditure and communicated my views to the Illinois commissioner, in a letter dated on the 13th July, three days after I was informed of the failure mentioned, and reported to me by the engineer. A copy of that letter will be found in the appendix and marked A.

On the 22d July, I received a letter from the engineer informing me that Gen. Alexander, the commissioner of Illinois, had given him direction to go to the Ohio river for the proper material for the lock, concurring in opinion with me on that subject. On receiving this information, I was much relieved, supposing that every obstacle was now removed which had previous to that time prevented the work from progressing. On the 2d August, the progress then making on the work was reported to me by the engineer, which seemed to be quite encouraging. At that date, the coffer dam was completed, and the earth excavation of the lock pit commenced, and the contractors for the dam had commenced their work, and were then engaged in getting out stone for the dam abutments; and a considerable force was employed on the work, and up to the time of the failure to meet the drafts drawn for estimates, the work was progressing with some degree of energy, that failure compelled the contractors to cease operations on the 20th Oct. and on the same day the expenses of the engineer corps ceased. The report of the engineer giving the reasons more fully in detail, and accounting for the great delay, and the many failures which have conspired to retard the progress of the work is herewith submitted marked C.

No title to the land at that point on either side of the river has been procured for the use of water power, and I was not apprised of this until the 2d day of May last, at which time being at Mount Carmel in company with the Illinois commissioner, a deed was tendered to us, conveying on the Illinois side a strip of land suitable for the purposes mentioned, executed by the proprietors, Thomas S. Hines and Jacob Leshar.

In this conveyance, the parties conveying made reservation of two lots, 40 feet front each, on the lower extremity of the ground on the river, and extending back,—reserving the same to the said Hines and Leshar for water privileges, and the right of using said water privileges for mills and machinery to be erected on said lots as laid off, not exceeding *four* run of stones to each, and a further condition is made that after the dam is erected and the locks constructed on the Indiana side of the Wabash river, that no culvert nor canal shall be constructed on the Indiana side of the river until the culvert on the Illinois side is completed; and also reserving to the Wabash Navigation Company their chartered rights, unless the said states of Indiana and Illinois, with the consent of said Company, at the next session of the Legislatures of the said states, shall provide otherwise for the execution of a canal from said dam to Mount Carmel. This donation was refused, and the terms upon which the states would take the conveyance are mentioned in a letter addressed to Mr. Thomas S. Hines of Mount Carmel,

one of the proprietors of the land, dated 2d May, which will be found in the appendix and marked B.

The commissioners not hearing any thing further from the proprietors during their stay at that point, left such instructions with the engineer as would have enabled him to obtain for the states the land mentioned, in the event the proprietors should come to the conclusion to make a conveyance on the terms mentioned in the communication referred to by us,

In discharging the duties required of me on the various lines of the public works, I have not lost sight of the improvement at the Grand Rapids. That work was entitled to, and has had a reasonable portion of my time and attention, and the causes which have conspired to delay the work since March last, are given, and the subject is submitted to the board to make such suggestions in reference to that improvement as they may deem most advisable.

The expenditures have been as follows, to-wit:

Amount paid on the part of the state of Indiana for construction and contingencies,		\$8,137 67
Amount paid on the part of the state of Illinois for construction and contingencies,		12,001 44
		<hr/>
Total payment by the states,		\$20,139 11
Amount estimated to be due contractors up to the 20th Oct. 1839,	596 15	
Amount estimated to be due to engineer corps,	233 12	
Amount back per centage on contracts,	972 00	1,801 27
		<hr/>
Total amount up to 20th Oct. 1839,		\$21,040 38

Respectfully submitted,

JOHN A. GRAHAM, *Acting Com'r.*

A.

PETERSBURGH, 13th July, 1839.

GEN. ALEXANDER:

Dear Sir:—I have this morning received a letter from Mr. Burr giving me notice that you expected to reach Mount Carmel on this evening, and that your stay there would be short, being pressed for time to meet other engagements. I am sorry that I cannot meet with you. The notice is short, and other matters which I must attend to at the present will prevent me, but hope I am not mistaken in the object of your visit at that point at the present time; therefore can give you my views in relation to matters now proper to be determined upon in regard to the improvement at the Grand Rapids of the Wabash river. I had lately at Vincennes an interview with Mr. Burr and gave him my views on that subject.

It appears from Mr. Burr's report of late date, that it will be impossible to procure stone to build that work even upon the *plan* agreed upon by us, and keep within the appropriation, and indeed it appears that we will have to go to the Ohio river for stone. If so we will be compelled to far exceed the appropriation made.

The improvement of the Grand Rapids, I view as do the citizens of our state, a work of vast importance; in the prosecution of which, many of our citizens very properly feel a deep interest. Under such circumstances, on the part of Indiana, and acting in this matter as her representative, I am willing to enter into contract for constructing that work, to exceed the appropriation made on the part of this state, \$25,000, and rely upon the Legislature at its next session to sanction the act. If, in this matter, you agree on the part of Illinois to act in like manner, you can give the Engineer direction to proceed accordingly, and let the work progress as rapidly as possible.

If you think advisable to confer with me further on this subject, name the time and place near the line of the two states, and I will shape my course to meet you, or it may be, that the object may be accomplished by correspondence on this subject.

Write me often, giving your views freely.

Respectfully your ob't serv't.

JOHN A. GRAHAM.

B.

MOUNT CARMEL, May 2d, 1839.

THOS. S. HINES, Esq.—

Dear Sir:—We have the honor of receiving your communication in relation to the water power at the Dam and Lock at the foot of the Grand Rapids of the Wabash, with the deed executed by yourself and Dr. Leshner, for the strip of land between the lots and the the bank of the river, in the town of Powhatten.

In looking over the deed, we perceive reservations are made to the proprietors for the use of a stipulated amount of water power, and a condition to complete the works for hydraulic purposes, on the Illinois side, before those on the Indiana shore are constructed.

We think it possible, from the extent and value of the property proposed to be conveyed, that all which the proprietors claim, might not be more than a just equivalent for their transfer; but we regret to state, that we feel entirely precluded by the laws of the states we act under, from making any agreement for these conditions required in the deed.

The rents from the water power are strongly relied on to re-imburse the great cost incurred in the construction of the works, the profits of which, as well as the tolls derived from the Locks, will of course, jointly belong to the two states, whether located in Illinois or Indiana; and the course obviously should be pursued which will secure the greatest benefit.

In Ohio and Indiana, where much water power has been created by their public works, and the principle is equally correct in Illinois, the laws have express enactments, to prevent the leasing or using any portion of the power so made, unless the ground at the sites of the mills and machinery, has first been owned by the state, and the right to use, been determined by a public sale. These provisions, are considered necessary to secure to the states, *all the rents* which accrue from the construction of the public works,

and to secure to community an equal competition open to all, and prevent associations between individuals and the state, which would be regarded by the public, in the light of a monopoly, favoritism, and a sacrifice of their interests. These principles have been so well established, and guarded by legislative enactments, as well as appear so entirely correct in their tendencies, that we do not feel as possessing the least authority which would empower us to lease, or permit to be used, any portion of the water power contrary to their provisions.

In devising the plan of the works at the Grand Rapids, such a course was pursued, it is believed, as was free from every other consideration, than public utility in the location of the Lock, Dam, and water power. The large volume of the Wabash, too great to be carried into a single canal on either side of the river, its great width, difficulty of crossing and consequent convenience to community for using the water power on both sides of the river, as well as the necessity for so doing, in order to command the whole use of the water power which the works will create, will influence us so far that at least, it will prevent us from entering into any stipulations for having mills and machinery on one side of the river only.

We are anxious to obtain a deed for the use of the water power from the proprietors of the town of Powhatten, but as we feel ourselves situated, we can make no stipulations for any other kind of deed of conveyance, than one of bargain and sale, for the fee simple of the property in question, for such consideration as we can agree upon. In similar cases, benefit derived to the property adjoining the location of public works, has generally been considered an equivalent for sufficient ground, granted to the public for the convenient use of water power; and we trust the proprietors of Powhatten will view the subject somewhat in this light; for although willing to pay a reasonable consideration, we could not feel authorized to pay a sum any thing like the amount, which would be worth the annual rent at a low rate of from *twelve* to *sixteen* hundred dollars, the consideration of the deed you are pleased to submit to our consideration.

We will be pleased to hear from you or to see you on this subject at any time.

Respectfully your ob't serv'ts.

JOHN A. GRAHAM,
M. K. ALEXANDER.

REPORT

OF THE JOINT IMPROVEMENT OF THE WABASH RIVER AT THE GRAND RAPIDS.

*To Messrs. M. K. Alexander and J. A. Graham,
Commissioners of the States of Indiana and Illinois.*

GENTLEMEN: Since the date of the last annual report of the proceedings on the work at the Grand Rapids of the Wabash river, in consequence of causes which could not be controled, but little has been done to advance its progress.

The quarry near Gaither's on White river especially had been relied on to furnish good building stone with the greatest confidence. It shewed a naked cliff of Oolitic limestone, many feet in depth, stratified into layers of convenient thickness, with exposed edges covered with moss, the angular points sharp and well preserved in their exposure to the weather, evidently through long periods of time; and shewing also at the bottom of the cliff large naked blocks, sound and well preserved in like manner as the layers in the face of the ledge, and with these practical proofs of durability, answered also the usual tests of resisting moderate heat and sudden effusions of cold water, of pressure, and immersion for a period in water charged with salts in a state of chrysalization, &c. But notwithstanding all these indications, it yielded to the influences of the weather when exposed, as it had necessarily to be, in rather a fresh state, to severe frost.

The top layer, 18 inches thick, resists the weather at all times. Immediately below this upper course there is about twelve feet of naked rock, with sound unbroken face, as it lies in the cliff, and differing but in the slightest manner in color and fracture from the top stratum, but on being exposed would not resist the frost. Below these in the quarry, are masses of stone as shown in the river bank, and washed ravines to a great depth, similar in character to the top course; but it would be too expensive to quarry.

A mass of these underlaying strata had been laid bare previous to the letting in August 1838, for sixty feet in length and eight or more feet thick in the channel of a small branch, one hundred feet on the sloping side of the hill, from the perpendicular face of the cliff, which led to the opinion, from the rocky banks and the channel of the branch, that the entire slope side was composed of that material. But in quarrying at that point, it was found to be only a detached mass which had probably been carried forward progressively in lapse of time, till by successive freezing of the waters of the branch, it reached the level bottom lands, and there had been covered nearly with the alluvial deposits from the hills.

This quarry was worked to a considerable extent before it was ascertained that it would yield to the frost.

Finding the stone on White River to fail, many examinations were made to find a material in the vicinity of the works which would answer in changing the original plan, so as to have twenty-five feet in length at each end of

the lock walls; where the gates would rest built of hewn masonry, and the intermediate spaces formed of sand stone on the composit plan, of the masonry laid in cement, the walls faced with two inch plank, and coped throughout with sound coping.

At many points stone of good quality has been found in small quantities, but in opening them a short distance into the earth, have invariably run out into mere broken rubbish, or alternated into a kind unfit for any useful purpose.

Early in the spring of last year, a quarry of sand stone was discovered in the borough of Vincennes, and has been used to great extent the present season in building in that town. This quarry is probably extensive enough to furnish the building material required for the works. Although in making an examination of it, the contrary opinion was entertained from the indications it shewed of changing into a worse quality than that consisted of which had been removed, and the contractor was permitted to withdraw his men from working the quarry, under the belief that prudence at least required something more than a hasty decision to determine the question whether it could be safely used where it would be subjected in a lock to all the vicissitudes of wet and dry, of heat and cold. And these doubts were strengthened by the facts that few persons trust the sand stone for foundations for buildings; that many of the sand stone structures in Indiana are giving way after the lapse of a few years, and the evidence that at a short distance in Illinois from this quarry on the National Road all the structures built of said stone proved insufficient to resist the weather, were torn down, removed, and other materials substituted in their stead before the road was used or received.

The last year has shewn considerable difference, compared with the two preceding ones, in the time the Wabash has been navigable for steam boats. In 1837 the river could hardly be said to have receded so low that work could have been performed at the Grand Rapids in the bed of the river, and light draft steam boats could have come from the mouth of the river to that point at all times when it was free from ice. In 1838 the same was true until nearly the first of September, and then during the fall, although so generally dry, the river did not fall so low by six or eight inches as during the present summer and autumn.

The time which steam boats could come from the Ohio to the mouth of White River, the present year, was from the 15th of February to some time in June, while during that same period steam boats or flat boats drawing three feet water could not pass the Grand Rapids in broken intervals of more than twenty one-days.

The last year's business of the Wabash has also been marked with great difference in the prices of transportation of bulky freights. Salt, which at the Grand Rapids, was formerly brought in steam boats, at a cost of from 18 to 20 cents per hundred pounds by the barrel, this year has been delivered there in tow-boats, at a much less rate. These boats are towed up the river at so small an expense, that engagements might have been entered into at least, for towing loaded boats from the stone quarries, on the Ohio river, of a size agreed on; and sunk a specific depth, so that the actual cost of towing exclusive of boats, cost of loading and unloading, would not have exceeded four dollars per yard, for delivery of stone at the site of the Lock. The consideration of the greater length of time in each year, which the river is navigable below the lock, the certainty of being able to procure a better material to build with, as well as the friable nature of the sand stone

near Vincennes, which is quite apparent after a few days exposure to water or wet weather, and greater cheapness of quarrying and delivery on the bank of the river, induced the application to the commissioners, for leave to go to the Ohio, with the intention of procuring at least the face stone of the lock walls, which leave was granted. However, in the early part of July, a few days afterwards, the river fell so low, that the contractor could commence work on the coffer dam, preparatory to excavating the lock pit, and in the probability of meeting with difficulty in obtaining funds for the payment of the estimates, as they would become due, it was deemed prudent for him to appropriate all his means in getting in, if possible, the foundations of the lock during the present dry season; and no effort was made to procure building stone from a distance from the lock.

A slight alteration in the plan of the lock, with the consent of the Commissioners, has been made, by increasing the width of the chamber from 38 to 46 feet, and its length from 175 to 180 feet. This change was induced from the observation, that a considerable portion of the commerce of the Wabash, is in steam boats direct from New Orleans, of greater dimensions than the lock first planned would pass. Independent of this consideration, steam vessels navigating the Ohio, have been constantly increased in length of the wheels which propel them, and in length of the boats for several years past, to give them greater speed and steadiness on the water, greater safety, and lighter draught. This tendency to increase their dimensions, does not appear to have arrived at its maximum extent—and if the additional size were not given to the lock, transshipments would have to be made, and as tolls are charged on the tonnage, a lock of less dimensions than would accommodate the southern trade, would be as much at variance with the convenience of the public, as with the revenue expected from the works.

For opening the lock gates, instead of capstans, the wheel and windlass will be substituted.

Conveyances for the site of the works have not been obtained under the direction of the commissioners. The undersigned has made several efforts for purchase or donation, all of which have been unavailing. In one instance a cession was offered, predicated on the right of the proprietors to use a portion of the water power made by the works, as the consideration of their grants to the states. This offer, the Commissioners considered as objectionable in policy and not warranted by law. The same proprietors, however, expressed their willingness to donate the lands in question, but hitherto have not found it convenient to carry their intentions into effect. The lock foundations on the Indiana side, were commenced with the consent of the Commissioner of that state, and with the belief on his part, that a title to the necessary grounds for a site, could be easily obtained, or in the event of unwillingness to convey or delay, the law was amply sufficient to give a title, in a manner equitable to the state and to the proprietors. The lands on both sides of the river, with the exception of one tract, are owned by companies, constituted of members living at different places, which accounts for the delay or the inconvenience of acting together, rather than to any unwillingness to make the cessions required.

The valley of the Wabash river is so illy supplied with building stone, and yet contains such abundance and variety of rocks, that no public work in any portion of its extent, has escaped delay in its prosecution, and unanticipated cost in its construction. The locks and other structures, on the upper portion of the river from Delphi to Huntington, were subject to the

same inconvenience. Delays and changes of plan were unavoidable, even in cases where, after many disappointments, good materials were procured.

Difficulty in obtaining proper materials was encountered at Terre Haute and its vicinity; indeed at every point, it is believed, throughout its extent, where good building stone in quantity has been procured. There is not only the want of exposure, which pertains to a new country, before fields are cleared, drains washed, and excavations made in the earth, consequent on a dense population, but a character attaches to the whole valley, of a great variety of rocks, presenting externally, favorable appearances, in the faces or outsides of quarries, which entirely fail when worked short distances into the earth. During the year past, in working quarries in this manner, which have proved worthless, there has been estimated to the contractors \$3,474 02, which of course is lost. It is a large amount, but from the necessities of the case, its expenditure is claimed to have been warranted by judgment and discretion. It is proper to remark also, that a portion of the stone delivered on the contract of Wilson & Co. has yielded to the frost; and that probably a loss of 25 per cent. on the 800 yards delivered, has already been incurred, and most likely, to some extent, will be incurred, by another winter's exposure.

The difficulty of procuring good materials for a hewn stone lock, suggests the idea of building it with wooden cribs, filled with stone, with walls of the chamber faced with plank, &c. and it is but just to remark, that a large share of public feeling is manifested in favor of that mode of construction. The undersigned, with the greatest deference to opinions, for which he has the highest respect, is constrained from a sense of duty, drawn from observation; from the best lights he could collect, to feel in regard to such change of plan, as heretofore expressed, that any structure, placed across the entire channel of the Wabash river, to overcome the obstructions to its navigation, should be of the most permanent kind, or it will become a source of very great injury, vexation and loss.

The Rapids are bad enough, for the great trade of the country, and when it is borne in mind, that after the erection of these works, that no vessel of any description, flat boats descending, or steam boats in any direction, can navigate the river without passing the lock, it seems nearly clear, that unless the works can be of the most perfect kind, such as will need little or no repairs, it would be better for the interests of the community that the river should remain in its natural condition. It is the work of the two states—a mass of timber, to rot, to decay between seven and ten years, hazarding the entire obstruction of the trade of the Wabash for a season—is hardly in keeping with their character.

It is probable that the sandstone quarry near Vincennes will furnish all the stone required for a good work. Its qualities will be developed sufficiently by its exposure through the winter, the only safe test; and it will certainly furnish all which may be required. Except for the faces of the walls, the materials for which had better be procured from the Ohio, it is thought, as it would make no great additional cost on account of cheaper quarrying, and land transportation; and a better article would be obtained.

The cost of a permanent structure may possibly be kept within the original estimate, and the appropriation of \$100,000 made by each of the states, and certainly within \$25,000 of that sum, a difference which would be more than compensated by its superior utility.

The building of the lock and dam is divided into two contracts. The lock contract was awarded to Wm. Mudge; the building of the dam and

aboutment, to Messrs. Baker, Riley & Co. The lock has necessarily to be much in advance in its construction to be kept above the water, before it shall be raised by the dam; for this reason Messrs. Baker & Co. were not required to commence their work until the last of July. The uncertainty of being paid induced the contractors and with leave, to postpone their operations till more certainty was known in relation to that subject.

In conformity with instructions from the Commissioners of the State of Illinois, an estimate was taken the 20th of September last, and although in advance of his just proportion of the expenditures, in his anxiety to have the contractor go on with his work, during the present low stage of water, he gave him a draft for his pay on the Fund Commissioners of that state, in hopes that from the reported loan, that it would be paid, and the contractor enabled to continue his labors, until Indiana would be in funds, and meet her equivalent part of the cost.

In a short time afterwards, the work was necessarily stopped for want of funds, the last estimate was taken on the 20th of October, and all operations of the contractor and expenses of the engineering department, from that time ceased.

The property belonging to the States, of camp equipage, instruments, tables and boxes, containing the books and papers of the office, are locked up and stored with Moses Bidell, Esq., receipts of which are forwarded to the respective Commissioners. Independent of these articles, 400 barrels of hydraulic cement, on which the contractor received an estimate for their value, and by him were stored in the warehouse of Mr. Townsend at the lock sites, waiting further operations before it can be used.

For the expenditures of this year there has been paid—

For superintendence, office expenses &c., by Thomas H. Blake, Esq., for the State of Indiana	-	-	\$790 50
By John A. Graham, Esq., for construction	-	-	1,465 00

Total paid 2,255 50

Receipts for superintendence &c., forwarded in account current but which are unpaid	-	-	233 12
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Total paid and charged to Indiana 2,488 62

There has been paid by Illinois for superintendence, office expenses, &c.	-	-	1,769 62
For construction	-	-	2,615 00

Total paid 4,384 62

Draft on Fund Commissioners, which is receipted for but not paid, of	-	-	1,433 00
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Total paid and charged to Illinois 5,817 62

5,817 62

And there is jointly due, not receipted—

Estimate to Mr. Mudge, October 20	-	403 07	
Estimate to Riley, Baker & Co.	-	193 08	
Back per centage to Wm. Mudge	-	972 00	
			1,568 15
Total	-	-	9,874 39

In 1838 Illinois paid for locations, super-			Indiana paid for		
intendence &c., including survey of the			same		
Wabash to the Ohio, and for the Ohio			\$1,056 83		
canal route	-	\$3,135 48	do	4,093 00	
For construction	-	2,316 00			
<hr/>			<hr/>		
As per annual report	-	5,451 48	do	5,149 83	
In 1837, for locations, &c.		732 34	same	732 34	
<hr/>			<hr/>		
6,183 82			5,882 17		
			6,183 82		
			<hr/>		
			12,065 99		
			<hr/>		

Total expenditure 21,940 38

Respectfully submitted.

Mt. Carmel, }
Nov. 1, 1839. }

D. BURR,
Late Prin. Eng. of Wabash River.

ANNUAL REPORT

OF THE

CHIEF ENGINEER,

TO THE

BOARD OF INTERNAL IMPROVEMENT.

OFFICE OF CHIEF ENGINEER, }
Indianapolis, Nov. 11, 1839. }

To the Board of Internal Improvement:—

GENTLEMEN—In the discharge of a duty belonging to his station, the undersigned respectfully submits to the Board of Internal Improvement the following report in reference to the progress and present condition of the public works of the state, so far as the operations thereon are placed under the supervision of the engineer department.

WABASH AND ERIE CANAL.

Ninety miles of this canal between Fort Wayne and Georgetown are now in good navigable condition, on all of which, (excepting about 8 miles at the lower end more recently opened) boats have made regular trips throughout the season, affording a very convenient and useful means of intercourse between the points named. Interruptions from breaches in the embankment are becoming less frequent and of shorter duration; the banks are becoming more compact, and the whole canal with the exception of the wooden structures, begins to assume the appearance of permanency. Of the six dams for the supply of the canal which have heretofore been reported as finished, no one has sustained any material injury from the floods of the past year, but all appear now to be in a safe condition.

At the date of my last report, the Dams across Deer creek and Wild Cat remained unfinished. During the past season the contractors for these dams have progressed with praiseworthy energy, and there is now good grounds

to believe that both these dams may be closed and rendered secure before the return of winter. The other mechanical structures on this line are generally well advanced, excepting the tow-path bridge across the Wabash, the completion of which has been deferred until stone can be brought by the canal from the quarries near Georgetown. The delay in the completion of this bridge will not prevent the opening of navigation, inasmuch as the towing horses for a few months can be taken across in a ferry boat. The bluff sections and other heavy work are well advanced, and the embankments at these points will have time to become well settled before the water is introduced.

Out of the 39 sections between Fort Wayne and the state line, 20 sections have been finished and accepted, and 8 or 10 sections in addition will be finished during the present month. The mechanical structures are all completed except the three locks. At lock No. 1 east, which is being built of cut stone, three-fourths of the masonry is laid, and the other two locks which are of timber, are well advanced.

Notwithstanding the delays which have occurred for want of funds, the resident engineer thinks that the navigation could be extended east to the state line by 1st of June, and west to Lafayette by 1st Oct. next, if payments could be regularly made in future.

By the report of the resident engineer herewith submitted, it will be seen that the aggregate cost of this canal from the state line to the mouth of Tippecanoe, (the point to which the original selection of lands was extended) including the St. Joseph's feeder, a distance of 129 miles and 59 chains is now estimated to cost \$1,847,010 exclusive of the cost of superintendence, and deducting the forfeited per centage. The aggregate of estimates for labor performed up to the first of the present month, amounts to \$1,718,841. The estimated value of labor remaining to be done to complete this canal as far west as the Tippecanoe is \$138,031.

The extension of the canal from the mouth of Tippecanoe to Lafayette, a distance of 14 miles and 29 chains, is estimated, at contract prices, at \$297,118, of which the sum of \$266,541 has been estimated, leaving labor yet to be performed to the value of \$30,577.

The total sum required to finish the canal from the state line to Lafayette, after paying the present debt, will amount to \$218,337, which includes an addition of \$10,000 for superintendence. This sum does not include damages, should there be any assessed.

During the past season Mr. Fisher's charge as Resident has been extended over the whole of this canal, from the state line to Lafayette, by which change the salary of one resident has been saved. Mr. Fisher's report herewith submitted will give further information in respect to the detail of the operations.

The aggregate estimate of the four heavy sections under contract in the vicinity of Covington, embracing 5 miles and 8 chains of line, amounts to \$142,902, on which the estimate of work done amounts to \$34,210, which leaves labor still to be performed to the value of \$108,692.

By an order of the former Board the undersigned in conjunction with the Acting Commissioner, was directed to co-operate with the proper officers of the state of Ohio, so far as such co-operation might become necessary in securing the proper location of the canal in the vicinity of the state. A copy of the correspondence had in reference to this subject during the past year, is hereto appended, marked A.

WHITE-WATER CANAL.

The admission of the water into the lower division of this canal was delayed for several weeks longer than was anticipated, in consequence of a slip which occurred with the going out of the frost at the clay hill side just below the mouth of Jamison creek, which filled the canal with earth for several chains in length. After this obstruction was removed the canal was filled with water to the depth of $2\frac{1}{2}$ feet, and in the month of June last, the first canal boat was passed from Lawrenceburgh to Brookville.

The three very important dams across the White-water have withstood the floods of the last year without injury, and their present condition is such as to warrant the belief that they will prove to be secure and permanent structures. To render these dams perfectly safe, a large quantity of brush and stone should be placed on the bed of the river at the foot of the apron. This would have been done during the past season but for the scarcity of funds. The towing path and road bridges across the pools at Brookville and Harrison, are in progress, and it is hoped will be finished by the opening of navigation in the spring.

Above Brookville the contractors were progressing in an efficient and satisfactory manner, until arrested by the apprehended scarcity of funds. Three of the cut-stone locks are nearly completed—the walls of several others have been commenced, and a large amount of stone and other materials lie on the ground. The foundation of the dam near Laurel has been placed and secured by putting on the first course of the crib, and filling it with stone, in which condition it will no doubt be safe. The foundation of one abutment and both of the piers of White-water aqueduct have been laid in a secure manner, and the masonry raised above low water.

The aggregate cost at contract prices of all the work let out on this line, between Lawrenceburgh and the National road, is estimated at \$1,283,382, deducting the forfeited per centage, and the labor performed thereon at \$966,856, leaving work unfinished to the value of \$319,292.

The intermediate jobs not yet placed under contract between Laurel and the National road, are estimated at \$271,574, which added to the total amount of contracts as above, gives \$1,557,722, as the total cost of the canal to the National road.

After paying the existing debt, the sum required to finish the canal to the National road, including an allowance of \$20,000, for superintendence, is \$639,979. This does not include damages, which I have no means of estimating.

The excess of the actual cost over the original estimate made in 1834, from the survey of Mr. Gooding, is accounted for in part by the construction of cut-stone locks of a very permanent but costly character, instead of the wood and stone locks contemplated in the original estimate, but chiefly by the very material enhancement of the cost of labor and provisions within the last four years, amounting to at least 50 per cent.

The extension of the work to the immediate bank of the Ohio river, has not yet been completed. When this extension is finished, canal boats may be brought immediately on the bank of the river, in close contact with the steam boats, affording the greatest possible facilities for the transshipment of freight from one to the other, which will doubtless exercise an influence to increase the trade of the main line of the canal terminating at Lawrenceburgh.

Mr. Holman having resigned his station as resident engineer on this canal, Mr. Henry C. Moore was appointed to fill the vacancy. Mr. Moore has been for some time engaged on the canals of Pennsylvania, and is believed to be well qualified for the station. His report in relation to the line is herewith submitted.

On the 31st of August last, the White-water was gaged by Mr. Moore, the resident engineer, just below the mouth of Neule creek, and the discharge found to be 540 cubic feet per minute. On the 21st of October the stream was again measured by Mr. Noel, principal assistant engineer, who found the discharge at that time to be 705 cubic feet per minute. These gauges give less water than was passed by the stream at previous measurements. At the driest time during the past season, the stream would not have furnished a full supply for a canal. But it should be recollected that the drought of the last season has been unusually severe, and that the stream is very seldom reduced so low. Should the canal for a few weeks, once in every four or five years, be without a full supply, I cannot suppose it would, in this particular case, detract very much from the usefulness of the work, as it is not to be used as a general thoroughfare of trade. There would, during every season, be ample time to carry off the produce of the country, and during most seasons, a full supply during the whole year. If, therefore, the state should deem it desirable to extend the canal to Hagerstown, I am of opinion that this measure need not be abandoned on account of any apprehended scarcity of water.

CENTRAL CANAL—INDIANAPOLIS DIVISION.

During the month of May last so much of the division as lies between the feeder dam at Broad Ripple and Indianapolis was filled with water, by which the extensive water power at this place was rendered available. At a later period in the summer the water was passed forward and the canal filled to a point six miles below Indianapolis; and the remainder of the line to the dam below Port Royal can be filled at any time when it is desired. The frame work of the wooden locks between Indianapolis and Port Royal, nine in number, has not been constructed. As the navigation of this portion of line could not be considered of much consequence until an outlet is provided in one direction or the other, and as this portion of the lock is necessarily perishable, it was deemed prudent to delay its construction at least for another year. The locks can be prepared for navigation in the space of a few months whenever it shall be deemed advisable.

The Port Royal dam has been completed in a very satisfactory manner. Its height above low water is nine feet, and its length 395 feet. Both the dams connected with this division, as well as the high embankment at the Bluffs, which at first seemed difficult to sustain, appear now to be in a safe condition.

The total cost of the line from the Broad Ripple dam eight miles above Indianapolis, to the Port Royal dam, a distance of 24 miles 58 chains, is estimated at \$435,496, not including the frame work of locks. Of this sum \$434,716 has been estimated to contractors, leaving work yet to be done to the value of \$1,224.

In my last annual report it was stated that 16 sections of this line between Port Royal and Martinsville had been placed under contract by order of the former board at a cost of \$104,010. The contracts for twelve of these sec-

tions have been transferred by the acting commissioner on this line. The remaining four sections embracing 2 miles 30 chains of line have been in progress. The estimated cost of these sections, including the work performed on other sections previous to the transfer, amounts to \$42,280. Of this sum \$30,628 has been estimated to the contractors, leaving labor to be performed to the value of \$11,652.

CENTRAL CANAL—NORTHERN DIVISION.

The work under contract in this division, consisting chiefly of the heavy work in the vicinity of Andersonstown, amounts at contract prices to \$505,021. The estimates of work performed up to this date amount to \$241,530, leaving work yet to be done to complete these contracts to the value of \$263,491. These contracts embrace two dams across White river, one at the summit level and the other 8 miles below Andersonstown for the supply of the lower levels thence to the Broad ripple. At the first named dam the foundation has been placed and secured and the abutments partly built.

In preparing the canal for contract the exact location at Andersonstown was left open for the advice of the board. For the purpose of obtaining a decision of the question, estimates of the comparative cost and length of each route were prepared and submitted to the board for their action at their last meeting. The results of these estimates on the several plans are as follows, to-wit:

Plan No. 1.—Passing by Andersonstown and crossing on an aqueduct—length of main line 141 chs.—cost \$111,464.

Plan No. 2.—Middle line crossing on an aqueduct—length of main line 102½ chs.—cost \$104,251.

Ditto—with the addition of an arm to Andersonstown—length of main line 102½ chs.—cost 105,939.

Plan No. 3.—Lower line crossing on a dam—length of main line 101½ chs.—cost \$92,939.

CENTRAL CANAL—SOUTHERN DIVISION.

Nineteen and a half miles of this line, extending from Evansville to the feeder from Pigeon, including the extension to Lamasco for water power, has been completed, and made ready for the admission of the water, at a total cost of \$236,092, not including superintendence. This sum includes the work done on the four abandoned sections above the feeder.

By the report of the resident engineer, it will be observed, that the heavy work near the forks of White river has been progressing quite rapidly. The total cost of these heavy contracts between the forks of White river and the head of Pigeon, is estimated at \$450,705. Value of work done up to 1st Nov., \$230,290, leaving to be performed labor to the value of \$220,415. The report from the line, herewith submitted, will give further particulars.

CROSS-CUT CANAL.

Only a few of the heaviest jobs have been in progress on this line during the season. Among these, the deep cut, the Birch creek culvert, and the Eel river dam, are the principal. In respect to the two last named jobs, it was deemed quite desirable to finish them in order to avoid an entire loss of the work heretofore done. This would have been readily accomplished

had not the contractor for the dam been delayed for several weeks by the failure of the funds. It is still hoped the dam and guard banks will be secure against the freshets; yet the very recent formation of the guard banks, and other works connected with the dam, if finished at all, render their safety very precarious, if there should be high floods during the winter.

The total cost of this canal from Eel river dam to Terre Haute, prepared for navigation, the remaining 5 locks to be built of wood, is estimated at \$452,917. The total cost without completing the locks, building tumbles merely, so as to render the canal available for water power, but not for navigation, will be \$427,917. The value of work done is \$336,825, which shows labor still to be performed to make the canal navigable, to the value of \$116,092; and to bring the water power into use merely, to the amount of \$91,092.

ERIE AND MICHIGAN CANAL.

The contracts reported last year on this canal, embracing only the heaviest jobs on the Elkhart summit, including the deep cut and reservoirs, have been in progress. The total cost of the work under contract on this canal, at contract prices, as returned by the resident engineer, is \$342,004. The amount of estimates made for work done up to 1st Nov., is \$65,476, showing labor still required on these contracts to the value of \$376,528.

The additional surveys for the purpose of ascertaining the practicability of bringing the branches of Cedar creek into the summit level, which, upon consultation with the Board, it was deemed advisable to make, have been in progress since July last. The results of these examinations when received will be made the subject of a special report.

The health of the late resident engineer having become so much impaired as to unfit him for the arduous duties of the line, Mr. W. J. Ball, resident engineer on the Cross-cut canal, was appointed also to the charge of this canal. By this arrangement a saving of the expense of one resident engineer was effected.

MADISON AND INDIANAPOLIS RAIL ROAD.

At the date of the last annual report, the road had been opened for the passage of the cars as far only as Graham fork bridge. The laying of the track was continued as rapidly as could be done, with due regard to economy, and during the first week in June the road was opened for the passage of the train to Vernon, a distance of 20 miles from the depot at the head of the inclined plane near Madison, since which time regular daily trips have been made, carrying passengers and freight. I feel much gratified in stating the fact that the road has been in use for 12 months without the slightest accident of any kind. It affords evidence of a degree of care on the part of the conductor, engineer, and others connected with the train, which deserves praise.

The locomotive engine now in use on the road (from Baldwin's manufactory) is an excellent one. From the 16th March, when it was first placed on the road, to the 15th inst., embracing a period of 244 days, the engine has made 255 trips, making a total distance travelled of about 10,000 miles, without requiring an expenditure for repairs exceeding

two dollars, if we except the cost of a new pair of tank wheels, the first pair having been prematurely worn by applying the brake almost exclusively to these wheels.

The effect of the winter's frost in deranging the track, was found to be much less than had been apprehended—in fact no material inconvenience was experienced from this cause. This may be attributable chiefly to the depth, and strength of the under sills, and the secure manner in which the cross ties, and the rails are attached to them.

The deck roofs of the timber bridges on this road as originally constructed, do not fully protect the bridge from the rain. I have recommended some addition to be made to these roofs with a view to render them perfectly water tight.

The contractors for the heavy section on the inclined plane at Madison, have continued their work throughout the season, though its progress has been much impeded by a slide in the high embankment, occasioned by a yielding of the inclined base on which it was formed. Some expedients of no great cost, have been resorted to, with a view of stopping the slip, though it is doubted whether much can be done towards arresting a moving mass of such magnitude and weight until the material finds its equilibrium by acquiring the slope and base which is due to it. It is believed that a greater part of the slide has already acquired that slope, and that the difficulty is in a great measure overcome.

The station of resident engineer on this line having become vacant, Mr. T. A. Morris was requested to perform the duties of this line temporarily, in addition to his charge as resident on the Central canal.

The Board having determined to extend the contracts on this road, a locating party was organized, and proceeded, under general direction from the undersigned, to make the final location from six mile creek, to Columbus. Three distinct lines, between these points, had before been surveyed and estimated under the direction of my predecessor, which afforded much aid in obtaining a knowledge of the country. But as all these lines were found to curve considerably to the east, of a straight line, it was deemed advisable to ascertain the necessity of this curve, by running a direct line. By a comparison of the several routes, the straight line was ascertained to be the cheapest one of the four which had been surveyed. Although the surface is quite undulating, yet it is found that these undulations consist in parallel valleys and ridges running generally transversely to the road. Of course no material saving could be effected by frequent changes of direction. The road is therefore laid perfectly straight for a distance of 18½ miles, with the exception of two very slight angles, introduced to avoid a parallel crossing of streams. These angles, however, are very inconsiderable, the largest only $1\frac{1}{4}$ degrees, and as they are placed at the summit of the grade, the change of direction is not observable by the eye. For all practical purposes it is equivalent to a straight line. After passing Columbus, a curve is introduced of about $\frac{3}{4}$ of a mile in length and drawn with a radius of 5,730 feet.

As the contracts proposed by the Board extended further north than

Columbus, it became necessary to extend the examinations in order to determine which side of the Driftwood the road should pursue. Mr. Sherman Day, an engineer in the service of the state, was assigned to this survey, with directions to examine both sides of the river, and ascertain the comparative cost and length of the two proposed routes. His report which is herewith submitted, represents the advantages and disadvantages of the two routes, in respect to their cost, length, &c.

The Board having determined to adopt the eastern line, the final location was made as far as Franklin. This portion of line is likewise very direct, and its graduation will be remarkably cheap. After leaving the curve at Columbus, a straight line was run to Edinburgh, and thence by another straight line to a point near Franklin. In the whole distance of near 60 miles, between six mile creek and Indianapolis, there will probably be but 4 curves, no part of which will have a radius shorter than 5,730 feet. A curvature so gentle as this, can offer no material resistance to the passage of the locomotive and train.

The maximum inclination heretofore adopted on the road south of six mile creek was 40 feet per mile. After an examination of the country, I deemed it advisable to reduce the maximum grade, north of that point to 30 feet per mile. This adds but little to the cost of the grading, while it will considerably increase the capacity of the road for transportation. The only grade exceeding this inclination will be found on a short section of the road about $8\frac{1}{2}$ miles in length, extending 6 miles south, and $2\frac{1}{2}$ miles north of Vernon, where also the shortest curvature is found, increasing still further the resistance. By the present arrangement of the grades, the trains at a future day, if found more economical, may be loaded for a 30 feet grade, having the aid of a light assistant engine over the higher grade in the vicinity of Vernon. But whether this method of transportation be adopted or not, an advantage from the reduction of the grade will be found in the increased speed and safety of passenger trains.

The great cost of constructing and maintaining a second track, which has generally been viewed as indispensable at a future day, suggested the inquiry whether with proper regulations in the system of transportation, and by adjusting all the plans of the road with a view to this object, a single track could not be rendered fully adequate to the business and purposes of the road, as the *permanent arrangement*. The greater degree of perfection in the application of locomotive steam power, which has been attained, and to which every year's experience is contributing, by which the movements of rail road trains are brought under more perfect control, seemed strongly to favor the affirmative of this proposition. An investigation of this question, with the aid of all the experience at my command, produced a conviction that on a road of this length, situated as it is, the laying of a second track, for all the purposes of the present generation, would be an unnecessary expenditure, even admitting the trade to equal the most sanguine expectations. The abandonment of this idea seemed therefore, to be called for upon the principles of an enlightened economy. By this change, which was fully concurred in and advised by the Acting Commissioner, the pre-

sent expense of the extra width of grade, and the prospective expense of the superstructure of the second track will be saved. The most important bridges however, are still being constructed with width sufficient for a double track, so that a second track may be laid down at a future period by simply increasing the width of the grade, if from any unforeseen change in the business connections of the road, the second track should be deemed necessary. In bridges of so great span as some on this road, a width less than is required for a double track would scarcely give sufficient stability. The width of grade adopted for the single track is 14 feet in embankments, and 20 feet in excavations, including an allowance of 3 feet on each side for drains.

The facts and the mode of reasoning which led to this conclusion in relation to the second track, are embodied in a communication dated 10th of August, addressed to the Acting Commissioner, a copy of which is hereto appended and marked B.

A copy of the "general rules and specifications," for the graduation and masonry prepared for this road, and exhibited to bidders at the late letting at Vernon, is likewise submitted herewith, marked C.

The use of the finished portion of the road during the last year has proved the excellency of the plan of superstructure adopted, and particularly the superior advantages of our rail over the common flat bar. For the extension of the road I would recommend the same plan of track with some slight changes which experience has suggested. The only change proposed in the form of the rail is that of strengthening the upper web, by filling a little fuller the angle on the under side, next to the upright stem, for which purpose the necessary metal might be taken from the upper side of the lower web towards the outer edge, so that the weight of the rail (45 lbs. per yard) would remain the same. With this change and with the cross-ties laid so close together as they are, the strength of the road will be sufficient for the use of engines of 12 or 13 tons weight, moving at a speed of 8 miles per hour, to which heavy burden trains may properly be restricted, while the passenger trains should maintain a speed of 16 miles per hour. A specification in detail of the manner of laying and securing the track, upon the plan recommended is herewith submitted, marked D. Accompanying the specification for the track, will be seen an estimate of its cost amounting to \$8,853 per mile.

It may be remarked here that the very favorable location of the road by which all objectionable curvature is avoided, the reduction of the maximum grade, the substantial and perfect plan adopted for the superstructure, as well as the regular and systematic movement of the trains proposed in the use of the road, must all tend in no inconsiderable degree, to reduce to its minimum, the cost of transporting the heavy products of the soil, and thus enhance and extend the benefits of the road to the interior of the State.

The completion of the rail road will bring the capital of the State within five and a half hours travel of the Ohio, making it practicable, if found desirable, to perform the trip to the river and back on the

same day, between six o'clock in the morning and the same hour in the evening. When the road shall have been completed, and in full operation, the passenger travel will be of sufficient consequence to induce the regular line of steam boats on the Ohio to run in connection with the passenger cars on the road, so as to receive the passengers without any delay. The stage lines on the National road, and other routes diverging from Indianapolis will likewise have reference in their arrivals to the departure of the rail road cars. By this arrangement persons residing in the interior of the State, 30 or forty miles either east, west, or north from Indianapolis, and having business at Cincinnati or Louisville, may by means of the stage lines, rail road cars, and steam boats, reach either of those cities, with the loss of but one day of business time, thus extending the conveniences of the road to a large portion of the state.

From the best data now at command, the cost of the road may be estimated as follows, to wit:

Grading and bridging from Six-mile creek to Columbus 18.50 miles, averaging \$13,443 per mile, at contract prices, with an allowance for contingencies	\$248,708
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Grading and bridging from Columbus to Edinburgh 10.43 miles, averaging \$3,495 per mile at contract prices	36,457
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Grading and bridging from Edinburgh to Franklin 10.15 miles, estimated from the recent location at an average of \$7,136 per mile	72,434
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From Franklin to Indianapolis there has been no survey since that made in 1835. By comparing this division with other similar portions of the route which have been located, it is deemed safe to estimate the grading and bridging at \$4,000 per mile, the distance being 20 miles	80,000
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Add for superintendence 5 per cent on the above	21,880
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Total cost of graduation from the end of finished grade at Six-mile creek to Indianapolis	459,479
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Total distance 59.08 miles, average cost per mile \$7,777	
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Estimated cost of superstructure 59.08 miles at \$8,853 per mile	523,035
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Add for depots, machine shops, and water stations	30,000
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Add ten per cent. on two last items for superintendence	55,303
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Total cost of road complete from Six-mile creek to Indianapolis	1,067,817*
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Total distance 59.08 miles—average per mile \$18,074	
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From the head of the plane at Madison to Six-mile cr. a distance of 24.25 miles, the cost of the finished road, including both grading and superstructure, will average about \$35,445 per mile	859,431
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* It will be perceived that this estimate is made out as if the track was laid to the end of the finished grade at Six-mile creek. The iron having been delivered for some two miles of road beyond Six-mile creek, it is assumed that this will about balance the cost of laying the track from Vernon to the end of the finished grade.

From the steam boat landing in Madison to the head of the plane, distance 2.47 miles, the aggregate cost, including one track prepared for the use of horse power, and including all probable contingencies, is estimated at - 272,816

Total cost of road complete from Madison to Indianapolis \$2,200,064
Total distance 85.80 miles—average per mile \$25,642.

It will be observed that the cost of the road as here shown is less than was estimated in my report of the 20th of January 1838 by the sum of \$207,278.

After paying the present debt, the sum required to put the road in complete operation, from the head of the plane near Madison to Indianapolis, will be \$1,041,783, including an adequate allowance for superintendence.

NEW ALBANY AND VINCENNES M'ADAMIZED ROAD.

I have the satisfaction of reporting the entire completion of this road as far west as Paoli, both grading and metalling, with the exception of three sections on which a small amount of work remains to be done. The operations of the contractors on this work during the past season have been conducted with much energy, and the metalling has been performed in a manner very creditable to the superintending engineers. The specifications for the work, a copy of which was appended to my last annual report, and which it will be seen required very perfect work, have generally been adhered to. So far as respects the metalling, it is believed that few if any better roads have been constructed in this country.

By the report of Mr. Wilson, resident engineer, herewith submitted it will be seen that the total cost of the metalling from New Albany to Paoli, 41 miles and 20 chains, amounts to \$209,976, averaging \$5 per mile. In the same report the total cost of grading and bridging including the additions made to the grade during the last season stated at \$307,057, averaging \$7,445 per mile. Total cost of road including both grading and metalling, \$517,034, averaging per mile \$12,537.

The near approach to completion on this division of the road will doubtless suggest to the Board, the propriety of erecting toll gates, and making the necessary provision, at an early period, for the collection of tolls.

Most of the contracts for the grading and bridging on the line west of Paoli have been progressing; eight sections, each near a mile in length, are completed, and several others very nearly finished. The bridge abutments of the second crossing of Lick creek, and likewise those at the first crossing of Lost river are about half finished. At the other three bridges no masonry has yet been laid. The first section west of Paoli, and the section next to Mount Pleasant, embracing the river hill, are amongst those which are finished.

The total estimated cost of grading and bridging (the White river

bridge not included) from Paoli to Mount Pleasant, a distance of 27 miles, is \$145,261; labor performed estimated at \$60,476; work remaining to be done \$84,785.

JEFFERSONVILLE AND CRAWFORDSVILLE ROAD.

The grading and bridging on that portion of the road lying between New-Albany and Salem has been progressing very satisfactorily, and is far advanced towards completion. About half the sections have been finished, the abutments for the larger bridges have all been commenced and raised above ordinary water in the streams, and the culverts over many of the smaller streams are finished.

On portions of the road where the grading is very light, and where it would not add materially to the cost, I have advised the width of the grade to be increased to 36 feet for the purpose of affording a summer road alongside of the metalled track. About one eighth of the whole distance from New-Albany to Salem will have sufficient width for a summer road.

The total cost of the grading and bridging from New-Albany to Salem at contract prices as now returned is \$178,378, of which work has been estimated as already performed to the amount of \$127,833, leaving work yet to be done to the value of \$50,545. The length of this division is 32.35 miles. The report of Mr. Wilson, resident engineer, herewith submitted, will give information more in detail.

On that division of the road between Jeffersonville and New-Albany no work has been in progress during the past season excepting the Silver creek bridge. This structure, since it has been in the hands of the present contractors, has progressed in a very satisfactory manner and would probably have been completed but for the failure of the funds. The work remaining to be done amounts to about \$18,784, including the superstructure.

On the north division of this road, 14 7-8 miles, the grading and bridging is about two thirds done. The bridge over Racoon and Ramp creeks are very nearly completed. At the Eel river bridge but little progress has been made. The total cost of grading and bridging this division is \$97,165, and the work done is estimated at \$55,944; work remaining to be done \$31,221.

Between Crawfordsville and Lafayette, a distance of 26 7-8 miles, the grading and bridging is nearly two thirds performed. The bridge across the Wea is completed. The abutments of the Sugar creek bridge at Crawfordsville are completed, and the timber procured for the superstructure. On twelve of the sections, embracing near half of the distance, the grading is entirely completed.

The total cost of grading and bridging on this division is estimated at \$87,737; the labor performed at \$56,144, leaving work yet to be done of the value of \$31,593.

GENERAL REMARKS.

Since information was received from the fund commissioners of the probable failure to procure funds promptly, I have in my intercourse with contractors considered it a duty to discourage, generally, the prosecution of their work. To discharge their hands, however, without the means of paying them was, with many of the contractors, deemed to be a ruinous course to themselves. The consequence has been that many of the jobs have continued to progress against the advice of the state officers, and a very heavy debt is now due from the state to the contractors.

For the purpose of exhibiting at one view the aggregate amount of contracts entered into up to this time, the progress made in their construction, the amount due contractors, &c. I have prepared the following tabular statement:

NAME AND DESCRIPTION OF THE WORK.

NAME AND DESCRIPTION OF THE WORK.	Length under contract. or finished in miles.	Estimated cost at contract prices, superintendence not included,	Estimated value of work performed up to 1st Nov.	Estimated value of work yet to be done.	Amount of per centage retained on unfinished jobs.	Sum required to finish existing contracts after paying present debts, not including superintendence	Amount due contractors on 1st Nov. after deducting the retained per centage.
Wabash and Erie Canal from mouth of St. Joseph's feeder near Fort Wayne to state line,	21.04	311,767	270,779	142,120	7,297	49,417	42,980
Do. from mouth do. to Tippecanoe, including that feeder,	108.70	*1,535,243	1,448,062	95,911	22,321	118,232	20,640
Do. from mouth of Tippecanoe to Lafayette,	14.36	297,118	266,541	30,577	10,111	40,688	14,757
Do. between Portland and Covington—heavy jobs only,	5.10	142,902	34,210	108,692	2,918	111,610	10,530
White water canal from Lawrenceburgh to Brookville, including recent extension to the Ohio,	30.81	653,802	643,816	11,100	2,680	13,780	23,188
Do. from Brookville to feeder dam near Laurel,	14.31	314,285	196,577	119,242	14,433	133,675	72,500
Do. from Laurel to National road—in part, embracing most of the heavy jobs,	9.50	315,295	126,463	188,950	12,000	200,950	50,533
Central canal from Broad ripple to Port Royal dam, not including frame work of frame locks,	24.72	435,496	434,716	1,224	2,206	3,430	8,389
Do. four sections below Port Royal, including expenditure on other sections before they were transferred,	2.37	42,280	30,628	11,652	818	12,470	8,440
Do. near Andersonstown & Noblesville, mostly heavy work,	36.12	505,021	241,530	263,491	18,969	282,460	74,764
Do. from Evansville to Pigeon feeder, including work done on the four sections above the feeder,	19.67	236,092	236,092	000	000	000	000
Do. between forks of White river and head of Pigeon—heavy jobs only,	6.25	450,705	230,290	220,415	23,029	243,444	52,090
Cross cut canal from Eel river feeder dam to Terre Haute,	25.50	427,917	336,825	91,092	22,711	113,803	33,351

Erie and Michigan canal, embracing deep cuts and reservoirs only, on Elkhart summit,
 Madison and Indianapolis rail road from Madison to Six Mile creek, including grading and superstructure, excepting 2½ miles of track next to Madison, not under contract,
 Do. from Six Mile creek to Edinburg—grading and bridging,
 New-Albany and Vincennes McAdamized road—New-Albany to Paoli—grading and bridging,
 Do. from New-Albany to Paoli—stone covering,
 Do. from Paoli to Mount Pleasant—grading and bridging, Jeffersonville and Crawfordsville road—grading and bridging for rail road from Jeffersonville to N. Albany.
 Do. grading and bridging for McAdam road from New-Albany to Salem,
 Do. grading and bridging—Greencastle to Racoon creek, Indianapolis and Lafayette turnpike road—grading and bridging—Crawfordsville to Lafayette,
 Steam boat lock and canal, mill races, &c., at Delphi dam, as directed by special acts of the legislature,

6.11	342,004	65,476	276,528	6,078	282,606	24,809
26.78	1,109,247	1,067,181	42,066	10,381	52,447	8,700
28.93	285,165	28,707	256,458	2,673	259,131	26,034
41.25 do.	307,057 209,977	512,630	4,404	6,148	10,552	122,333
27.12	145,261	60,476	84,785	6,396	91,181	31,233
4.79	143,050	124,266	18,784	2,835	21,619	5,837
32.85 14.87	178,377 87,165	127,833 55,944	50,544 31,221	5,805 3,599	56,349 34,820	41,535 12,901
26.87	87,737	56,144	31,593	2,444	34,037	18,602
	72,146	18,589	53,556	1,463	55,019	895
528.02	8,635,109	6,613,775	2,034,405	187,315	2,221,720	705,041
Total,						

*NOTE.—The amount in this column does not in every instance equal the aggregate of the two next columns. This is owing to the fact that the forfeited per centage is deducted.

By a joint resolution of the last General Assembly, approved Feb. 12, 1839, it was required "that the Engineer in Chief shall cause the connecting work between the White-water and Central canals, to be located as early in the ensuing spring as practicable," &c. &c. But this direction was qualified in the latter clause of the section by the proviso that such survey is only to be made in case it "can be made without the employment of a corps of engineers in addition to the engineers appointed to superintend the construction of the White-water canal."

Previously to the passage of this joint resolution, the corps of engineers on the White-water canal had been organized for the superintendence of that work upon principles of the strictest economy, allowing no more than were constantly required in the current duties of the line. It was therefore manifestly out of my power to make the location required without either employing another corps or enlarging the corps on the White-water canal with a view to this object, neither of which seem to be authorized by the spirit of the law.

But the law from which the above is an extract requires the undersigned not only to locate the work, but to determine its character and the points of termination. The former surveys of this region which were reported to this office, together with my personal knowledge of the country, enable me to form an opinion as to the character of the work which should be constructed, as correctly as if the further surveys had been made.

In my report of the 5th Dec., 1837, facts were stated which showed that an entire water communication between the two canals could not be made. Subsequently it was proposed, and thought by some to be practicable, by the construction of a reservoir, to make a canal from the Central canal or Muncietown feeder to New Castle—the extension thence to the White-water canal to be by a road. Admitting a canal to New Castle to be practicable, as to which I cannot now decide, still it must be by the construction of a reservoir. If the connection cannot be made entire by canal, I cannot suppose that the advantages of this partial extension of the canal, leaving still a portage of 12 to 15 miles would justify its adoption, if we consider the cost and the evil effects of the reservoir.

A rail road connection is entirely practicable and would be the more perfect improvement, but the expense of constructing and maintaining a rail way could not prudently be encountered unless the business were greater. The probable trade of the road, on this route, would by no means be sufficient to warrant its construction.

From this view of the subject it would seem that a turnpike road connecting the two canals, is the improvement to which this section of the State should look, when the time shall arrive for its construction.

The object of constructing the turnpike road would be chiefly to accommodate the business and travel of the district of country between the two canals. And as New Castle is the chief point of business, and is moreover the seat of justice of a well improved county, I would propose to make that place a point in the location, from which the road would run south either to Hagerstown or Cambridge and north

to Muncietown or Andersonstown, to be determined from a particular survey.

By another clause of the same joint resolution it was required, "that the chief engineer shall cause to be located as early in the ensuing season as practicable that part of the Central canal which lies between Martinsville and the mouth of Eel river; which requirement is however qualified with a similar proviso, "that such location is to be made without the employment of a corps of engineers in addition to the engineers appointed to superintend the construction of the Southern Division of the Central canal."

The same considerations which in the case of the White-water connection forbade the idea of making the location, operated with equal force in this instance, and produced like conclusions as to the authority to make the survey.

By an act of the last General Assembly, approved February 18, 1839, the undersigned was directed to make, during the present year, a survey of the Patoka river, and to report a plan for the improvement of its navigation, provided such examination could be made by the engineers already in the State service without incurring additional expense.

To make a survey of this river, such as would be necessary to determine a proper plan for its improvement, would require a much longer time than could have been devoted to this object by any corps of Engineers in the service during the past year. I therefore found it impracticable to make the survey without an increase of expense, which was not authorized by the law.

The reports of the several resident engineers are herewith submitted to the Board.

All which is respectfully submitted.

J. L. WILLIAMS,
Chief Engineer.

A

LOWER SANDUSKY, July 10, 1839.

JESSE L. WILLIAMS, Esq.--

In the year A. D. 1836, Messrs. L. Ransom and S. Forrer were authorized by the Board of Public Works of Ohio, to make arrangements with those who had in charge the public works of Indiana, for such supply of water as could be furnished for that portion of the Wabash and Erie canal in Ohio, which lies between the Ohio and Indiana line, and the junction of the Wabash and Erie canal with the Miami canal, a distance of about eighteen miles.

Mr. Ransom is unable to inform me, what arrangements, if any, were made in this matter. It is important to us to ascertain the quantity of water that can be furnished through your canal to supply our canal from the State line to the junction.

With the present location I deem it impracticable to supply this line

by means of a reservoir, and a change of the location, at a considerable additional expense, would only enable us to supply about twelve miles.

I will be much obliged to you to inform me what arrangements were made in relation to the water to be furnished, and the probable amount.

I presume you are at this time able to form a pretty correct judgment of the amount furnished by the Little St. Joseph river, and the amount that is and will be expended on your portion of the canal.

If we can be furnished with a sufficient quantity of water without resort to reservoirs, it will relieve us from much perplexity. We are under the necessity of re-letting a portion of our line, and the sooner we ascertain the supply we can obtain from you the more convenient it will be for us.

Respectfully yours,
R. DICKINSON,
Acting Commissioner.

INDIANAPOLIS, Aug. 1, 1839.

R. DICKINSON. Esq.,
Acting Com'r Ohio Div. W. & E. Canal:

SIR:—Your communication of the 10th ult., in relation to the supply of water for the Wabash and Erie canal in Ohio, is before me. An absence from my office of more than three weeks' duration, must form my apology for the delay in furnishing the information requested in regard to this important subject.

In the month of September, 1833, the St. Joseph river was carefully gauged by my direction, at the head of the summit feeder, and the following is the result obtained, to wit:

Total discharge of the stream,	4,250 ft. per minute.
Leakage through the dam, about	150 " " "

Quantity flowing into the feeder	4,100 " " "
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During the dry season of 1833, I gauged the stream at the same point with about the same result.

With this quantity of water we have to furnish a supply in the first place, for the lockage through the summit level, which, allowing 50 boats to pass daily in each direction, or 100 passages in all, with locks of 7 feet lift, will require 1,312 feet per minute, leaving 2,788 ft. per minute, applicable to the leakage and evaporation. The whole length of canal between the east line of the state, and the first feeder west of the summit from the Wabash river, is 54 miles, nearly, the whole of which, in dry seasons, is entirely dependant upon the St. Joseph's feeder, which, after deducting the necessary lockage water as above, can furnish but about 52 ft. per minute, per mile, for leakage and evaporation.

This statement of facts, you will perceive, forbids the expectation that any water can be furnished from our feeder for the canal in your

state, during the dry season. The amount of available water, as here shown, when confined to the canal west of the state line, is considerably less, as you are aware, than the customary allowance, and in fact would be inadequate, were it not that a portion of the canal is so situated as to expend much less than the usual quantity. By puddling some of the most porous places, and husbanding the water in the most careful manner, we believe that the canal in Indiana can be supplied by the St. Joseph's feeder, but are sure that it will not be in our power to furnish any water, in dry seasons, for the line in Ohio. This opinion, I am confident, would be sustained by the experience of all who were engaged in the navigation of the canal during the last summer and fall.

I may remark here, that this view of the case is the same that has heretofore been presented by those in charge of the canal in Indiana. In all my communications, either written or verbal, with Mr. Forrer or Mr. Ransom, as well as in my official reports, copies of which have been forwarded to the Ohio Board, I have uniformly stated that the supply of water which could be introduced from the St. Joseph feeder, would be exhausted by the time it would reach the state line. And in accordance with this settled and uniform expectation, a line was run in our preliminary surveys, upon the plan of taking a feeder from the Maumee at the Bull rapids, five miles above the state line, as will be seen by the report of the Commissioners of the 19th December, 1835. The Ohio Board of public works, however, at a subsequent period, determined to adopt the *high level* for the line in your state, as we were advised by Mr. Forrer's letter, dated 8th Sept., 1836, which decision rendered a feeder from the Maumee, at any point below Fort Wayne, wholly impracticable.

In conversation with Mr. Forrer on the subject, I understood, that, in recommending the high level, his plan was to supply from the state line to the junction by a reservoir to be formed near the state line, for the construction of which he was of opinion that the level country south of the canal, afforded ample facilities. And until the receipt of your letter we had supposed that the construction of this reservoir, which had been viewed as an essential appendage to your division of the canal, was progressing simultaneously with the canal. We were of course surprised to learn from your letter, that, "with the present location, you deem it impracticable to supply this line by means of a reservoir;" and "that a change of the location at a considerable additional expense, would only enable you to supply about 12 miles," leaving still some six miles without a sufficient supply of water. This state of things is certainly to be regretted, as it must augment the expense to be incurred by Ohio, in furnishing the supply of water which it will be necessary for her to provide; and more especially so, if the change of location, which you seem to consider necessary, should delay the completion of the canal, the speedy opening of which is so important to the interests of the whole country. I trust, however, that you may yet be able by some means to provide the water required without serious difficulty or delay.

If I understood Mr. Forrer, he designed forming a reservoir near the state line, perhaps in connection with the canal in such manner as to admit of its being filled during the wet season, with the surplus waters of the St. Joseph feeder, passed through the Indiana division of the canal. Should you conclude to adopt this plan of constructing the reservoir, with the necessary provision for passing the water to it, I presume Indiana will not object to take upon herself the care and responsibility of filling it.

It is only necessary that your reservoir should contain water sufficient, after making due allowance for the depression of its surface by evaporation and leakage, to supply the canal during the season of low water, say 120 days. For the remainder of the year, our feeder will supply the whole line to the junction.

I would thank you to advise us as soon as convenient, of your final arrangement of the canal and reservoir. Should you adopt Mr. Forrer's plan, and rely upon us to fill the reservoir, we should know it, that the sluices at our locks may be constructed so as to pass the additional quantity of water.

I have just passed through the whole length of the Wabsah and Erie canal in this state, and feel confident that we can pass boats from Lafayette to the state line by May or June next.

Very respectfully yours, &c.,

J. L. WILLIAMS.

B.

An inquiry into the sufficiency of a single track for the probable trade of the Madison and Indianapolis Railroad.

The first branch of this investigation is the probable amount of tonnage which will pass over the road. The best data upon which to base an estimate is the actual amount of tonnage carried over other improvements similarly situated.

The total amount of freight which passed over the Miami canal (in both directions) during the year 1838, amounted to 54,000 tons.

The tonnage of the main line of Pennsylvania improvements, during the year 1838 is stated at 87,180 tons.

Perhaps it may be safe, for the purposes of this investigation, to assume the maximum annual tonnage of the Madison and Indianapolis road, for the first two or three years after its completion, at 35,000 tons, which, allowing the freight trains to run but 310 days in the year will give 113 tons as the amount of trade which must pass over the road

each day, or 56½ tons in each direction. The tonnage of the road however, will increase, and at a subsequent period will no doubt have doubled itself, which will make 70,000 tons. It is impossible now to decide how remote that period may be, but it is necessary to make all our arrangements so that they may be varied or enlarged to suit this enlargement of the trade.

The superintendent of the Columbia road in his report of Nov. 7, 1837, says—"the heavy locomotives now used for the transportation of freight, are capable of drawing 35 cars each, with a load of 3 tons, or 105 tons in all, exclusive of the cars, engine, and tender." This however, should be viewed only as an extraordinary performance when every thing is in the best order, and not as an average load in the regular course of business. But the same report furnishes a table exhibiting the actual performance of their engines in the regular course of business throughout the year ending 31st Oct., 1837. From this table it seems that the aggregate number of trips made during the year by 11 of their engines of 13 tons weight, was 935, and that the average number of cars drawn at each trip by a single engine was nineteen. Allowing each car to contain 3 tons of merchandize (the usual load) we have 57 tons neat, as the average load of each trip during the year. The table shows however, that about one-half of all the trips made during the year, average 21 cars, or 63 tons of freight at each trip. The same report states that the velocity of the burden trains during that year was limited to an average of 11 miles per hour. It is probable that the actual speed including stoppages, was something less than this.

I see no reason why the average loads on the Madison road, may not equal or even exceed those on the Columbia road. The rail, and the plan of laying our track are believed to be such as will enable it to bear as heavy engines; the maximum grade on the Columbia road is 45 feet per mile, while our highest grades are only 40 feet; and much of the curvature on the Columbia road is as short as 631 feet radius, while 1,146 feet is the shortest radius on the Madison road, and a very large proportion of it is perfectly straight.

Of the economy and propriety in every respect of using powerful engines, say as heavy as 12 or 13 tons for the burden trains on the Madison road, there can be no doubt. Not only can the transportation be performed cheaper, but the plan has the further advantage of requiring a smaller number of trips, by which the business can be better systematised, and the danger of collision or interference with passenger cars proportionally lessened. The track should therefore be made very strong, and the cross-ties placed at short distances (which in fact has heretofore been our plan) so that the road will bear heavy engines. And to promote this object, and render the use of heavy engines still more safe, I would propose limiting the velocity of burden trains to about 8 miles per hour, including stoppages, at which rate they can make the trip between day-light and dark.

Taking the actual average results of the year's business on the Columbia road as the basis of our calculations, it is certainly safe to assume that on our road, with the advantages that it will have in it

grades, &c. and with heavy engines, constructed for a low rate of speed, the average loads may be as large as 60 or 65 tons, which at the rate of one trip per day, admitting the trade to be nearly the same in each direction, would exceed the assumed annual tonnage of the road at the commencement.

But it must be recollected that the aggregate annual trade will not be equally divided between the different seasons of the year; and that while the average may be $56\frac{1}{2}$ tons per day, it would be necessary at certain seasons of the year to transport say 75 tons per day in each direction. Still I incline to the belief that even this irregularity of the trade may be accommodated for most of the year, without increasing the number of trips, by the expedient of attaching a few burden cars at such times to the passenger train. This plan would no doubt be cheaper, if the excess of freight be not too great, than to run two trains per day, and would possess besides the important advantage of keeping up our system of operations, lessening the number of trips, and of course diminishing the danger of accidents or interruption to the passenger train.

If the view which I take of the subject be based upon safe data, it would seem that by the proper construction and management of the road, with a view to simplifying the business of transportation in the greatest possible degree, a single train of burden cars passing over the road daily in each direction, will carry the whole trade of the road probably for three years after its completion, or until the annual tonnage shall exceed 35,000 tons. It requires no argument to prove that this plan of performing the business by one daily trip, so long as it is practicable, will be cheaper and in every respect preferable, to that of increasing the number of daily trips. And if one daily trip will do the business of the road until it shall reach 35,000 tons, it follows that only two daily trains in each direction will be required when the annual tonnage shall amount to 60 or 70,000 tons, and that three daily trips in each direction, will transport over the road an annual trade of 100,000 tons, should it ever reach so large an amount.

If these results be attainable, it illustrates the great value of the most perfect and unvarying system in all the operations connected with the use of Rail roads. And if by observing the most rigid system in the movements of the trains, by limiting the velocity of burden trains, so as to render safe the use of large engines, and by lessening the grades, and constructing the road in the most substantial manner, the requisite number of trips may be reduced so far below what has been customary, may we not with safety yield to the belief that the capacity and usefulness of a single track rail road may be increased greatly beyond what has generally been supposed, and may indeed be rendered adequate, to the business and purposes of most of the routes now in progress, or in contemplation. And may it not therefore be a question well worth the consideration of engineers at the present time, whether on some of the rail road routes of this country, where provision is making for laying down a second track within a few years, it would not be better to abandon the idea, at least for the purposes of

the present generation, and to expend a part of the outlay thus saved in making the remaining track, *more perfect in its character*, by reducing its maximum grades and curvature—by increasing the length of its straight lines—and by adopting a heavier and more perfect rail, so as to allow the use of heavier engines, and thus, by reducing the number of trips, lessen the cost of transportation of heavy articles, which is the main object of all our improvements. Is not this an improvement in the rail road system very naturally and rationally suggested by the increasing experience and knowledge of the country, in regard to the application of locomotive steam power, by which its agency is brought under more perfect control.

I would not be understood as proposing a single track on all routes, without reference to their length, or the nature of their trade. It is only when the transportation on the road and all the movements of the trains can be brought to the regularity of a simple machine (which must be practicable in most cases) that I would dispense with the second track.

Nor would I sanction the idea of a single track disconnected with the other part of the plan, to-wit: that the track is to be a *very perfect one*, with low grades, and a strong superstructure, so as to admit of heavy engines, which would do the business with but few trips. Many of the single track roads which are now in progress in the west with the light flat bar, sustained by frail trestle work, and with high grades, it is feared will be of little service to the country until re-constructed upon a more permanent plan.

But to drop this general view of the subject, and return to the consideration of the Madison and Indianapolis road, it will be proper to ascertain the particular system of operation which might be introduced on this road in case a single track should be adopted for the permanent arrangement.

The length of the road is about 84 miles from the head of the inclined plane to Indianapolis. Columbus, which is the largest town, and will be the point of greatest business on the route, is just in the middle of the road. I would propose to make this the point of meeting and passing for all the trains, and would require every train passing the road in either direction, so to time their starting as to be at Columbus at 12 o'clock, *without any possible failure*, except in case of accidents. For this purpose I would lay down four tracks in Columbus, for the distance of say 1,000 feet—the east track for the burden trains going from Madison, and the west track for the burden trains going towards Madison, leaving the two centre tracks open for the passage of the passenger trains. In the use of the road thus prepared, the freight trains moving at the rate of 8 miles per hour, would require 11 hours to make the trip, and would leave the depot at each end of the road at half past six in the morning. And if there be two trains in each direction, the first must start 15 minutes earlier than this. The daily passenger train, which would be drawn by a light engine of 9 or 10 tons, and would travel at the rate of 16 miles per hour, allowing for stoppages on the way, requiring 5½ hours to make the trip, including

a few minutes delay at Columbus, would leave the depot at each end precisely at 9 o'clock, A. M., so that both freight and passenger cars would meet and pass each other at 12 o'clock. As there would in practice be some little variation in the time of arrival, it would be safe to anticipate 15 or 20 minutes delay at the place of passing, during which time the passengers could dine, and the freight trains take in or put out any freight that might be required.

Along the line of the road there will necessarily be a turnout once in 5 miles for the accommodation of the way trade, so that in case two trains should by any accident or derangement meet elsewhere than at Columbus, one or the other must run back to the nearest turnout, which could not at most delay it more than 10 or 15 minutes. But this expedient should not be allowed except in case of unavoidable accident. The conductor of every train on the road should be under positive orders *not to be disregarded*, to reach Columbus at 12 o'clock and must regulate his time of starting, and all his movements accordingly. Upon the exact compliance with this regulation depends the favorable working of the whole system, and the success of the plan. If this condition of the plan can be fulfilled, and all the trains can be made to reach the meeting point at 12 o'clock, or within 20 minutes thereafter, *with certainty* (except in case of accident,) then it follows that there is scarcely any limit to the capacity of a well located, and well constructed single track railway on this route.

It will be observed that in sketching out a system of transportation, I have had reference rather to the future trade than to the state of things which will exist at the opening of the road—my object being to demonstrate that a very large tonnage may be passed over the road with a single track by adopting the proper system. At the opening of the road it may not be advisable to separate entirely the passenger transportation from the freight.

We are not authorized however to suppose that there will not occasionally be interruptions of the regular trips, which would be avoided with a double track. But the question for us to decide, is whether the state or the community could afford to pay the cost of maintaining the second track through all time to come, for the purpose of avoiding all probable interruptions resulting from the want of it. And this brings us to inquire the extra cost of preparing and maintaining the second track.

The cost of grading for a double track on the route under consideration over and above the grading for a single track, may be assumed at \$1200 per mile, and the total cost of furnishing the materials and laying down the second track complete at \$9,000, making a total outlay of \$10,200 in the construction of the road, the interest on which at 6 per cent. is \$612, which sum is the increased annual expenditure per mile chargeable to the second track on account of capital invested in its first construction. The sum of \$300 invested at the beginning of each year for 7 years (the supposed durability of the timber part of the track,) to improve at compound interest at 6 per cent. would produce a sum at the end of that period sufficient to renew the wood work of

the track. This then is the annual cost of repairing the wood which added to the interest account as above gives \$912* as the annual expense to the state per mile, properly chargeable to the construction and maintainance of the second track, amounting to \$76,600 on the whole distance of 84 miles.

Could the state or the community at large interested in the rail road, or could they not, afford to pay this sum annually for the next twenty years, for the purpose of avoiding the occasional interruptions and delays, resulting from the want of a second track? If the road were graded for a second track free of extra cost, and the system of transportation which I propose be put in operation on the single track, is it or is it not probable, that the state would, within the next twenty years, lay down the second track, the annual cost of which, without the grading, would be 70,560. It appears to me that both these questions must be answered in the negative.

Respectfully submitted,

J. L. WILLIAMS,

To NOAH NOBLE, *Acting Commissioner*

Madison and Indianapolis Rail Road.

Chief Engineer.

C

General Rules and Specifications for the Grubbing, Grading, and Bridging of the Madison and Indianapolis Rail Road.

Grubbing and Clearing—In ordinary grading the space to be cleared of all timber, logs and brush, will be 100 feet in width; that is 50 feet on each side of the centre line. But in all cases where the surface of the ground at the side stakes, is more than 25 feet below, or more than 25 feet above the grade line, the width of clearing will be increased so as to include the whole base of the bank, in embankment, and to extend ten feet beyond the edge of the cut in excavation. When the natural surface of the ground is not more than 3 feet below, nor more than 2 feet above the grade, all trees, saplings, and stumps will be grubbed out by the roots, over so much of said space as may be occupied by the road bed and its slopes, and side ditches; and all stumps, roots and other perishable material must be removed therefrom, and placed beyond the limits of said space of 100 feet before the grading of the road can be commenced. Where the ground to be occupied by an embankment is more than 3 feet below the grade, the trees, instead of being grubbed, may be chopped off within one foot of the surface. In excavations (over 2 feet deep) the grubbing may be done before the removal of the earth is commenced, or, if the contractor prefers it, the trees may first be chopped, and the stumps removed during the progress of the excavation.

*NOTE.—In addition to this sum there will be a small annual expenditure for the ordinary repairs of the second track, such as clearing ditches, raising sills, &c.; but this would be balanced by the greater expense of renewing the track where there is no second track for the trains to pass on.

Excavation.—Where the material is common clay or loam, the side slopes of the excavation will have a horizontal base of one foot three inches to every foot perpendicular rise; but if the earth be inclined to slide, the slope will have an increased base in proportion as this tendency is greater or less. In excavation through solid and durable rock, the slopes may be cut as nearly vertical as they can be formed, with convenience to the workmen. If the material be slate rock or other soft rock disposed to disintegrate by the action of the frost and the atmosphere, the slopes will have a greater or less base as the rock may be more or less disposed to crumble and fall off; as a general rule in rock of this description, the slopes will have a base of 6 inches to each foot rise. The width of the road bed in excavation will be 26* ft. at the level of the grade. At each side of this road bed a ditch will be sunk of such dimensions as the Engineer may direct, for the purpose of carrying off the water which may fall within the limits of the cut.

The material excavated from the cuts, will be carted into the embankments on the same section, so far as this can be done without any considerable increase of cost; avoiding as far as possible the formation of spoil banks. But when spoil banks are unavoidable, the inner toe of them must be placed at least 15 feet from the edge of the cut, and a bank 3 feet wide on the top and 2 feet high, will be formed on the edge of the cut, leaving a ditch between it and the spoil bank, of 6 feet in width, to receive the water which may drain from the spoil banks. As often as once in 400 feet, except where the ground descends toward the cut, sluices or drains 10 feet wide in the bottom, connecting with the drains just described, must be left, or cut thro' the spoil bank in order to carry the drainage from the road.

All rock excavated from the road bed, if not required for the embankment or for other purposes connected with the section, will be considered the property of the State, and must be deposited in situations convenient for loading into cars.

Embankment.—Where the road bed is formed by raising an embankment, its width on top will be 24† feet and the slopes will have a base of $1\frac{1}{2}$ to one perpendicular rise, unless the material forming the sides of the bank be rock, in which case the slopes will be at the rate of 1 base to 1 rise.

Embankments must be formed of the material taken from the cuts on the same section, so far as this can be done without any considerable increase of cost. But if the Engineer be of opinion that it will be materially to the interest of the contractor to borrow earth for the embankment, and waste the earth from the cuts, he will be allowed to take this course under such restrictions as the Engineer may deem necessary to guard the adjoining lands from unnecessary damage, and to prevent the spoil bank from being washed into the road bed by the rains. Embankments must be commenced at full width on the base, and must be continued at full width as they advance in height, keeping the sides, at all times, at least as high as the centre. The earth, except in (embankments not exceeding 3 feet high, and where the material is obtained in the side ditches,) must be carried on to the embankments by carts or scrapers in layers not more than 2 feet in depth. When embankments are formed partly of earth and partly of loose rock, the rock must be placed in the outer slopes. Before any embankment can be com-

* The width of the grade in excavation was afterwards reduced to 20 feet.

† The width of embankment at top reduced to 14 feet.

menced, the surface on which it is to rest must be cleared of all timber, roots and other perishable material. No roots or other rubbish can be allowed on any part of an embankment. In placing the top stakes for finishing off the embankment the Engineer will give them such extra height as will allow for the probable settling, so that the bank will stand at the grade after it is fully settled. Where earth is obtained along side of an embankment the pit must not approach nearer to the toe stake than 10 feet.

Rectangular Drains.—For streams of the smaller class, whose flood may be passed through a sectional area not exceeding 12 or 15 feet, and which do not carry drift-wood, square or rectangular drains will be built. These drains will be 2 feet wide, and 2 or $2\frac{1}{2}$ feet in the clear, formed by raising side-walls of dry masonry, about 18 inches thick, and to the requisite height, which will be covered by large and well-shaped flag stones, at least 8 inches thick, and long enough to lap at least 9 inches on each wall, the edges of the flag stones to be dressed off so as to make close joints and their upper surface to be placed at least 2 feet below the grade of the road. If the embankment be over 15 feet high the covering stone must be at least 10 inches thick. When a rock foundation cannot be had, the floor of the drain will be formed by a pavement 9 inches deep, laid edgewise in lines, across the drain, which will extend under the side walls and be secured at the ends by a curbing 2 feet deep. The bottom of the drain may descend from the upper to the lower side of the road at a rate not exceeding (except on rock bottom (one in thirty, and the floor of the drain at the lower end must in all cases be quite as low as the bed of the stream. The length of these drains will be such in each case that the ends will project one foot beyond the slope of the embankment both at bottom and top of the side walls, the ends of the side walls being sloped back by offsets on the different courses, corresponding with the slope. The stones next the ends, both in the covering and side walls must be large and well shaped, and put together in the strongest manner so as to guard against dilapidation. Two or more drains of this description may be built in connection when one will not pass the water. When the upper end of the drain is much below the side ditches, or of the natural channel, designed to conduct the water into the drains, such ditch or channel will, (unless it be in rock) be excavated deeper and wider around the head of the drain, so as to give the water a gradual descent into it. If there should be a rapid descent from the lower end of any drain, and the soil be such as would be liable to wash, a quantity of loose stone must be thrown at the end of the pavement into a pit dug out for that purpose, so as to guard against the undermining of the wall.

Arched Culverts.—Streams of a larger class, requiring a greater waterway than can be given by the square drains just described, and yet not so large as to require a timber bridge, will be passed by means of arched culverts formed of substantial stone masonry and varying in their span from 6 to 30 feet, in proportion to the size of the stream. The form of these arches will be semi-circular, built without backing on the haunches and generally without abutments—the arches springing from the foundation. The upper surface of the arch must be at least 2 feet below the grade of the road, and the length of the arch such that the side slopes of the embankment will strike the inside of the coping on the parapet wall. The ends of the arches will be finished and secured by a parapet wall raised one foot above the top of the arch stones, with which will be connected curved wing-walls, the direct length of which measuring with the direction of the culvert, will gene-

ally be equal to the height of the parapet above the base of the wing. The curved face of both wings will be drawn from a common centre, fixed in the point at which a line drawn across through the ends of the wings will intersect the axis of the arch. The wings will be finished with steps commencing at the end of the arch, and conforming to the slope of the embankment, and the parapet will receive a neat coping of 2 feet in width. The mean thickness of these walls will generally be equal to one-third their height at every point.

Where solid rock does not occur at the proper level, a secure and permanent foundation must be formed by artificial means. If the stream furnish water at the driest season, sufficient to preserve timber, the foundation will be formed of hewn timber from 6 to 12 inches thick in proportion to the span, laid close together transversely with the stream, and extending entirely across the span, and under both walls. A layer of 2 inch plank or a second course of timber 12 inches thick, will be placed across the ends of these timbers under the walls. Over streams that become entirely dry, the arch will spring from a foundation of broad flag stones placed under each wall at least one foot deep, laid in mortar. The entire span under the vault will receive a strong pavement 1 foot thick to guard against the effect of rapid currents, which must be secured at both ends by a stone curbing 2 feet deep. The whole space between the wing walls will be covered either with the timber platform or the pavement, as the one or the other may be used. To prevent the passage of water under the foundation, a row of sheet piling 4 feet in depth will be set or driven under each end of the culvert, extending entirely across the foundation.

Cut-stone arches.—The arch stone or sheeting for all culverts of 20 feet span or upwards, will be cut truly on the beds, so that they will form perfect segments of the required arch, and will be laid in regular ranges of uniform thickness throughout the whole length of the culvert, and the thickness of the courses may vary from 8 inches to 2 feet. The ends of the arch stone will be truly cut so as to form a joint for the whole depth of the sheeting. The lower face of the arch stone may be undressed except so far as is necessary to the true dressing of the beds, or the proper adjustment of the stone on the centering of the arch. No part of the face however, should project more than one inch below the lower curve of the arch. The blocks of which the arch will be composed must be from $2\frac{1}{2}$ to 4 feet long, and of a width corresponding with the depth of the sheeting. The ring or end stones of the arch will be cut in like manner with the body of the arch. They will be alternately $2\frac{1}{2}$ and 4 feet long so as to form a strong bond. The arches will be laid in full mortar, of such quality as the engineer may approve. For cut stone arches under embankments of moderate height, the depth of the arch stones will be, for an arch of 20 feet chord, 21 inches; for an arch of 24 feet chord, 23 inches; for an arch of 28 feet chord, 25 inches, and for other spans in proportion, increasing a half an inch for every foot which the span is increased. But if the embankment be very high, the depth of arch stones will be greater.

Rubble Arches.—Arches of less than 20 feet span will be formed of uncut stone. The arch stone will be well selected, so that their beds may conform as nearly as possible, to the radii of the arch, all unevenness or projecting points being hammered off so as to give them a fair bearing. They will be laid in regular ranges or courses, varying from 5 to 10 inches in thickness, (if of hard limestone,) each course being of nearly uniform thickness through-

out its whole length. The length of the arch stones should be from 2 to 3 feet, and the width equal to the thickness of the arch. The ring or end stones of the arch will be cut on the bed so as to form true sections of the required arch, and they will be alternately long and short, so as to form a bond, the longest being $3\frac{1}{2}$ feet, and the shorter ones two feet. The arches will be laid in full mortar of approved quality. For uncut arches, if the embankment be not very high, the depth of the arch or vault stones will be, for an arch of 10 feet chord, 18 inches; for an arch of 14 feet chord, 20 inches; for an arch of 18 feet chord, 22 inches; and for other spans in proportion, increasing a half an inch for every foot which the span is increased. But under very heavy embankments some addition must be made to the depth of the arch stones.

Masonry in Culvert Wing-Walls.—The wing-walls of arched culverts will be formed of coursed rubble masonry, laid in full mortar, made under the direction of the Engineer—the courses to be at least six inches thick, and as nearly the same thickness throughout the whole length as possible. The front stone will be prepared for the wall by hammer dressing both the beds and top, so as to give them a true and level bearing and make close work. The end joints will also be dressed for one foot back. The faces of the stone will be left rough as they come from the quarry, excepting so far as dressing may be required to make them conform to the curves or the wings. The stretchers will be from two and a half to five feet long and not less than 18 inches wide. In courses over fifteen inches thick, the bed of face stone must be increased so as to exceed the thickness by at least three inches. Headers not less than four feet long (where the wall is so thick) and 18 inches wide throughout their whole length will be placed in each course, not more than six feet apart in the clear; the headers in every course being placed over the middle of the space between the headers in the course next beneath. The same number of backing headers will also be required in each course 18 inches wide and long enough to extend from the back of the wall to the front stretchers. The backing will be composed of sound, well shaped stone, their opposite beds being parallel. The backing stones will generally be of the same thickness with the face, and no stone will be received for this purpose having less superficial area than four square feet, except such as are required to fill the cavities which unavoidably occur between large stones.

Masonry in Bridge Abutments.—The masonry in bridge abutments and piers will be of the style usually called “rock work.” The face stone will be laid in regular layers or courses of equal thickness throughout the whole length of the wall, and must be at least as much as nine inches thick. Front headers as much as four feet long and full two feet wide throughout their whole length, must be placed alternately with the stretchers in each course, requiring an equal number of headers and stretchers through the whole work; the headers in one course being placed centrally as near as may be over the space between headers in the course next beneath. The stretchers may be from three to eight feet long and must be at least two feet wide throughout their whole length; and in courses over 21 inches their width must increase, so that the bed will always exceed the face by at least three inches. The beds and joints of the face stone will be very truly and smoothly cut so as to make firm close work. Both the upper and lower bed will be cut full to the square, so that they will be perfectly parallel, leaving the stone as thick at back as in front. The ends of the face stone must be cut to a perfect joint for at least one foot back from the face. The

face of the front stone need not be dressed except so far as may be necessary to the true and accurate dressing of the beds and joints as above required. The face stone must break joints at least nine inches.

The backing or inside work shall be composed of sound well shaped stone, their opposite beds being parallel; they will not be less than six inches thick, and their thickness will generally be such that either one or two courses will rise to a height corresponding with the face stone. Backing headers or binders, at least four feet long and twenty inches wide, will be laid across the wall, in the space between the front headers. About twice the number of these headers will be required for the backing that is called for in the face. No stone need be delivered for backing which contains less than three cubic feet, except such as are needed to fill the cavities that unavoidably occur between the large stones. If the backing stones are over 10 inches thick their cubic content must be greater, so as to secure the requisite length and breadth to make a good bond.

The wall will be neatly finished, with suitable coping and water tables according to the plans furnished by the engineer. The skew-backs will each be formed of a single stone for each arch piece, at least 3 feet wide, 5 feet long and not less than 20 inches thick; the lower bed and the back end, as well as the face, will be dressed smooth and square. Behind the skew-back large backing stones dressed with true vertical joints, will be placed, and the whole course in the rear of the arches will be secured to the course below by iron dowels.

The whole wall will be laid in full mortar—the mortar will be composed of good newly burnt quick lime, and clean sharp sand, the proportion of each to be determined by the Engineer. All mortar must be well worked and must be mixed at least one week before being used.

Every part of the wall will be carried up together, keeping it at all times level throughout its whole extent. After a course is laid and backed up, the front of the wall will be trimmed throughout its whole length, so as to take off all unevenness and present a smooth and true bed for the reception of the next course. No materials to be used in any stone work unless approved of by the Engineer.

Bridge Foundations.—Where solid rock cannot be found at the proper level, an artificial foundation will be formed for the abutments and piers, consisting of two courses of square timber 12 inches thick, the first course running transversely with the stream, and the second course at right angles with the first. The upper surface of the timbers must in all cases be as much as one foot below lowest water, and if the water be deep or the foundation very sandy or liable to settle, it will be sunk lower. The lower course of timber will project 4 or 5 feet in front of the wall so as to give a broader base and to guard against the action of the floods. For the same purpose a large quantity of rough stone will be thrown loosely around the front and corners of the abutments and piers.

Bridge Superstructure.—The wooden superstructure of bridges will generally be built upon what is called the "Burr plan," with such alterations and additions as circumstances may require or experience suggest—the spans varying from 80 to 160 feet. The arch pieces, cross beams, and lateral bracing, will be of yellow poplar, the truss frame entirely of oak. Every precaution will be used to render the bridges substantial and lasting. They will be roofed and weatherboarded, and the sides will receive 3 coats

of white paint; the hand railing (when railing is used) will be painted in like manner, and will also be sanded after each coating of paint. Where the grade is sufficiently elevated to admit of it, the whole of the superstructure will be placed below the grade line, the track passing over and resting on the caps of the truss frame. In such cases the bridge will be covered by a perfectly water-tight deck roof on which the cross ties supporting the track will be laid. The plank forming the deck roof will be of pine, and will run crosswise of the bridge and be tongued and grooved, the joints to be filled with pitch. The whole of the roof will receive 2 coats of cheap paint and be well sanded to guard against fire. The foot of the arches and also the ends of the chord and cap pieces where they connect with the stone will be set in a cast iron shoe of such size and form as may be necessary to exclude wholly the moisture of the masonry from the timber. For further details in relation to the wooden superstructure, reference will be had to the drawings and specifications in each particular case.

The grade of the road will not ascend or descend more rapidly than at the rate of 30 feet per mile, nor will any curve be allowed of shorter radius than one mile.

J. L. WILLIAMS, Chief Engineer.

Vernon, June 18, 1839.

D.

SPECIFICATIONS FOR LAYING TRACK OF MADISON AND INDIANAPOLIS RAIL ROAD.

Two parallel trenches, one under each rail, will first be excavated 9 inches deep, and about 18 to 24 inches wide. In these trenches the longitudinal bearing timbers, or mud sills, 10 inches deep, will then be laid, and firmly bedded in such manner that they will be precisely 4 feet $10\frac{3}{4}$ inches apart from centre to centre; the upper surface of the two sticks being always on the same plane, and also of equal height, except where the road is curved.

In a curve of 1146 feet radius, (the shortest on this road,) the centre of outside timber will be placed about 2 inches higher than the centre of inside timber.

In curves of 2000 feet radius, or thereabouts, $1\frac{1}{2}$ inches higher.

In curves of 3000 feet radius, 1 inch higher; and in curves of about 4000 feet radius, $\frac{1}{2}$ inch higher.

At the joinings of the mud sills the two pieces will be framed together by making a tenon on one stick, and a corresponding mortice on the other, the tenon lying horizontally, so that in respect to the vertical pressure the whole will be as one stick. Out of the upper

surface of the bearing timbers two notches will be cut to each bar length about $7\frac{1}{2}$ inches wide, and $1\frac{1}{2}$ inches deep, to be so situated that the centre of each alternate notch will be exactly under the joinings of the bars; and the other under the middle tie, to suit the notches in the centre of the rail; the distances to be determined by laying on the rail, or an exact pattern of it, at each of these notches.

Across these bearing timbers the cross ties will be laid in the following manner, to-wit:

The tie intended for the joinings of the rails, and also the one designed for the middle of the bar, each being 6 inches wide and 7 inches deep, will be placed in the notches before described, in which they will be secured firmly by a well seasoned taper wedge, driven by their sides, 15 inches long by 2 inches deep, and 2 inches wide at one end and 1 inch at the other.

The intermediate ties, $5\frac{1}{2}$ inches square, will then be so arranged that the first space each way from the joinings will be about 1 foot 7 inches, and the other space 2 feet 7 1.6 inches (when the bars are 18 feet 9 inches long) measuring from centre to centre. Every tie, after being brought to its exact position, will be secured in its place by a locust pin $1\frac{1}{4}$ inches in diameter and about 12 inches long, driven through each end of the tie and into the bearing timbers.

Across the upper surface of the tie under the joinings of the bars at the proper points for the chairs, notches about $\frac{3}{4}$ of an inch deep, and 6 inches wide, lengthwise of the tie, will be cut for the purpose of receiving the chair. The cross tie intended for the middle of the bar will have a notch cut out of its upper surface about $\frac{5}{8}$ of an inch deep, and as wide as the lower web of the rail for the purpose of receiving the middle chair.

The cast iron chair used at the joinings will be of the simple plate pattern, 6 inches square, $\frac{5}{8}$ of an inch thick, with 4 spike holes, through which spikes will be driven into the ties, confining at once both the chair and the lower web of the rail. The middle chair is a plate of cast iron 9-16 thick, 6 inches long, in the direction of the rail and of equal width with the lower web. The chair is held firmly to the cross tie by a flange at each end, 1 inch long, projecting downwards and grasping the tie, and is connected also with the rail by an upward projection on each side, $\frac{1}{2}$ in. wide, $\frac{1}{2}$ in. high and $1\frac{1}{2}$ inches long, which fill exactly the notches in the lower web of the rail described below.

The chairs for the ends, and also for the middle of the bars, will not be fitted to their exact position longitudinally of the track until after the rail is laid on, when by trimming off more or less on either side of the cross tie, any slight error in the first measurement may be corrected.

The distance from the centre of one chair to the centre of the other must be such as to allow for the contraction and expansion due to the length of the bar. The opening between the ends of the rails, when laid, should be in proportion to the temperature at the time of laying,

allowing for a maximum increase of 1.6 of an inch in the length of an 18 feet bar, from extreme cold to extreme heat.

The position of the chairs will be such as to place the two rails forming the track precisely 4 feet 10 $\frac{1}{2}$ inches apart, from centre to centre.

A notch 1 $\frac{1}{2}$ inches long and $\frac{1}{2}$ inch deep will be cut out of each side of the lower web, the centre of which notch will be precisely in the middle of the bar. This notch is designed to fit round the upward projection on the middle chair so that the centre of each bar may remain firmly fixed.

The rail, which will be an edge rail of the H form weighing 45 lbs. per yard, will then be placed in the chairs, and in the notches prepared for it, and will be fastened down by brad headed spikes, 5 $\frac{1}{2}$ inches long and $\frac{1}{2}$ inch square, one spike being driven on each side of the rail at each tie, except at the tie under the joinings in which four spikes will be driven so as to secure the chair. These spikes must be so driven as to allow for a free longitudinal movement of the rail at every point except in the centre.

After the laying of the track is completed, the earth will be filled in around the bearing timbers, and will be compacted by ramming with a sharp handspike, and the space between the rails filled with earth to a level one inch above the top of cross ties in the centre, descending each way so as to be 4 $\frac{1}{2}$ inches deep over the bearing timbers, leaving a space of about 1 inch between the earth and the bottom of the rail, for the water to drain out.

The earth for filling will be taken out of the side ditches in the cuttings, as the engineer may direct. To guard as far as possible against derangements by the action of the frost, the road must be drained in the very best manner of which the ground will admit.

Care should be taken that the bearing timbers are covered with earth at every point to the full depth above specified. If this be done, the timbers will probably last as long as two sets of cross ties.

J. L. WILLIAMS,

Indianapolis, Oct. 31, 1839.

Chief Engineer.

ESTIMATE OF TRACK.

The cost of superstructure for each mile of single track, according to the foregoing specification, may be estimated as follows:

707 tons of iron edge rails of the H pattern, weighing 45 lbs. per yard, a \$75 per ton delivered on the road,	\$5,302 50
564 cast iron chairs for joinings of rails, weighing each 6 lbs.—3384 lbs. at 4 cents,	135 36
564 cast iron chairs for middle of bars each, weighing 4 lbs.—2256 lbs. at 4 cents,	90 24
10152 brad head spikes, 5 $\frac{1}{2}$ inches long, $\frac{1}{2}$ inch square—4061 lbs. at 9 cents,	365 49
10760 feet running measure of mud sills, allowing for mortise and tenon, 10 by 10 inches, at 8 cents per foot,	860 80
564 cross ties for ends and middle of bars, 7 $\frac{1}{2}$ feet long—	

6 by 7 inches, each 35 cents,	197 40
1692 intermediate ties 7½ feet long, 5½ by 5½ inches, each 25 cents,	423 00
1128 seasoned oak wedges to secure end and middle ties, 15 inches long—1¼ cents each,	14 10
4512 locust pins—12 inches long, 1½ in diameter—1½ cents each,	56 40
Workmanship of track, excavating trenches for sills, filling the track, &c., 1760 yds. lineal, at 65 cents,	1144 00
Add for necessary turn-outs, allowing one to every 5 miles,	200 00
Add 5 per cent. for waste on the chairs, spikes, cross ties, wedges and pins,	64 09
Total,	<hr/> \$8,853 38

E.
GRADES AND CURVATURE of Madison and Indianapolis Rail Road from Vernon to Edinburg, being a continuation of Table No. 1, as per report of December, 1837.

Length of grade in miles and feet.		Total distance from Madison.		Ratio of ascent and descent per mile.		Ratio of grade per 100 feet.		Total height of road-way above high water at Madison.		Length of straight line.		Length of c'rv'd line radius fr'm infinity to 5,730 feet.		Length curved line, radius from 2,865 to 1,910. ft.		REMARKS.
Feet.	M	Feet	M	Feet	Feet	Feet	Feet	Feet	M	Feet	Feet	Feet	Feet	Feet	Feet	
2000	23	4420		23.28	.441	260.782		1350		650	Commencing about 1 mile north of Vernon.					
220	24	4620		39.61	.720	302.043	1	220								Six mile creek
1020	26	380		39.81	.754	254.543	1	1020								do do
2600	26	2980		level	level	254.543		2600								do do
2300	27	3600		29.19	.553	241.824		2025								Griffith's Branch
3600	27	440		29.99	.568	221.370		2400								
2120	29	2040		23.81	.451	254.740	1	1820								
1600	29	3740		28.03	.531	246.244		1600								
1400	29	360		28.72	.544	243.860		1400								
2200	30	2960		11.35	.215	249.130		2200								
2600	30	4160		28.98	.549	234.856		2600								
1200	30	3880		12.72	.241	237.748		1200								
5000	31	4980		29.57	.560	209.748		5000								Opposite Scipio
1100	31	1900		level	level	209.748		1100								Big Sand Creek Bridge
2200	32	4200		29.78	.564	222.156		2200								
2300	32	1120		29.62	.561	209.253		2300								Nettle Creek
2200	33			23.86	.452	219.197		2200								

Poplar Br.		Little and Big Rock Creek		Clifty Creek Bridge		Haw Creek Bridge		Columbus		Flat Rock Bridge	
1700 33	2820	25.08	.475	211.122	1700						
2900 34	440	28.46	.539	226.753	2900						
3700 34	4140	26.40	.500	208.253	3700						
1 1020 35	5160	29.99	.568	244.037	1 1020						
2 3040 38	2920	29.99	.568	168.139	2 3040						
3200 39	840	29.99	.568	186.315	3200						
3700 39	4540	22.86	.433	170.294	3700						
4100 40	3360	29.62	.561	193.295	4100						
1800 40	5160	10.56	.200	189.095	1800						
2200 41	2080	26.40	.500	200.095	2200						
800 41	2880	11.46	.217	198.959	800						
2800 42	400	29.99	.568	183.055	2800						
600 42	1000	level	level	183.055	600						
2800 42	3800	28.83	.546	167.767	2800						
2800 43	1320	19.80	.375	178.267	2800						
2400 43	3720	4.75	.090	180.427	2400						
2600 44	1040	28.62	.542	166.335	2600						
1100 44	2140	29.99	.568	172.583	1000						
100 44	2240	level	level	172.583	100						
1800 44	4040	29.99	.568	182.807	1800						
1200 44	5240	5.02	.095	181.672	1200						
1665 45	1625	28.14	.533	172.799	1000						
1035 45	2630	29.99	.568	178.678	665						
200 45	2860	level	level	178.678	1035						
900 45	3760	26.74	.504	174.142	200						
1200 45	4960	9.03	.171	172.087	900						
2300 46	1980	7.05	.135	175.157	1200						
1 20 47	2000	2.53	.048	177.709	1 20						
2400 47	4400	17.95	.340	185.869	2400						
1 2720 49	1840	6.07	.115	195.069	1 2720						
2000 49	3840	25.66	.486	204.789	2000						

2400	50	960	14.05	.266	198.405	2400
1900	50	2860	10.35	.196	202.129	1900
4300	51	1880	2.38	.45	204.064	4300
1	1520	52	7.28	.138	213.274	1
5200	53	3320	5.28	.100	218.474	5200
2	240	55	2.59	.049	223.766	2
Edinburgh						240

INDIANAPOLIS, Oct. 29th, 1839.

J. L. WILLIAMS,
Chief Engineer,

SIR:—In compliance with your instructions, I made a survey, in June last, of the country between Columbus and Franklin, with a view to determine the permanent location of the Madison and Indianapolis rail road, between those points.

On inspection of the map it was found that a direct line between the two places, would traverse the valley watered by Driftwood river, and its tributaries, Blue river, Sugar creek, and Young's creek, nearly in the direction of its length, crossing those streams, and the wide low bottoms through which they flow, several times in the distance of fifteen miles. A straight line, therefore, was at once decided to be inexpedient.

It would naturally be suggested, however, that a route not materially deviating from a direct line might be selected on either side of the valley, by keeping in the vicinity of the river upon what is called the second bottom, without encroaching either upon the low bottoms, or the high land. But it was found on examination, that the peculiar features of the country presented insurmountable obstacles to this plan. Along that part of the route where the minor valleys of Blue river and Sugar creek unite with the main valley, and for a few miles above and below, there occurs a singular range of isolated hills immediately contiguous to the rivers, of such height as to forbid the idea of locating the road over them, and so irregularly arranged in the direction of the road, that they could only be passed by a most circuitous route. The most formidable of these high lands occurs near Tannahill's mill, near Colliers' mill, and at the ford of Sugar creek, on the Madison road. They differ from the ordinary bluffs along the margin of our large streams, in the fact that they do not form part of the main high land of the summit level, but are merely isolated hills, with bases extending back from the river generally from half a mile to a mile. Behind the hills, on either side of the main valley, and parallel with it, there extend two secondary valleys, remarkably uniform and level, and peculiarly adapted to the location of the road. Along these secondary valleys two random lines were run—one on each side of Driftwood valley. The longest of these is only about half a mile longer than a direct line between Franklin and Columbus.

The western line commences at the termination of the curve at Flat Rock creek, near Columbus, and proceeds in a direct line to Tannahill's mill, where it makes a curve to the westward, and crosses Driftwood river somewhat obliquely; making another curve to the northward, it continues in a straight line across the high bottom of Driftwood and the valley of Ninevah creek, to the entrance of the valley of Pleasant run, a small tributary of Ninevah creek; curving again to the northward, the line proceeds up the valley of Pleasant run, by a very gentle ascent, to the high grounds drained by Burckhart's and

Herriott's creeks, over which it passes with favorable grades, to within one mile of Franklin. The alternatives are here presented—1st, of continuing the straight line through a most expensive deep cut to the western border of the town; or 2d, of passing round the hill by a double curve, and still attaining the western border of the town; or 3d, of making but one curve and running directly through the centre of the town. Young's creek is crossed just south of the town.

The eastern route proceeds from the same point at Flat-rock, in a straight line over a very uniform country, to the northeast quarter of the town of Edinburgh; here a slight curve is introduced and the route continues in another direct line across Blue river, Sugar creek, and the Big Branch of Young's creek, to a point 3½ miles southeast of Franklin. It here makes a curve to the westward, passes through the village of East Franklin, crosses Hurricane creek and enters Franklin at the northeast corner of the town.

An accurate map and profiles were made of the two lines. The survey presented the following general facts as points of comparison between the two routes.

Grades—Excavation and Embankment.—It appeared by the profiles, that the rise and fall per mile as well as the quantity of excavation and embankment, were nearly the same on either route. The heaviest sections of earth work on the eastern line occur at the crossings of Blue river and Sugar creek. On the western at Driftwood and Young's creek. Although immediately at the crossings on the western route, the bottoms are narrower and the embankment consequently less, yet as these streams run nearly in the direction of the road, it becomes necessary to cross a long tract of low bottom about half a mile below the crossings on both streams, and this will balance the increased width of the bottoms on the eastern route. At other points the earth work is about the same.

The grubbing is longer as well as heavier on the western line. This however, may be balanced by greater facilities in procuring materials for superstructure.

Bridges.—The western line would require a bridge across Driftwood of 328 feet at \$30 per foot

	\$9,840
Across Ninevah of 70 feet at \$20 per foot	1,400
Across Young's creek of 60 feet at \$20 per foot	1,200

	12,440
--	--------

The eastern line requires a bridge at Blue river

220 feet at \$30 per foot	\$6,600
At Sugar creek of 115 at \$30 per foot	3,450
	10,050

Shewing a difference in this item in favor of the eastern line of \$2,390

The foundation at Driftwood being slate is preferable to that at Blue river, where it is not certainly known that slate exists. On the other hand there is slate at Sugar creek, while there is probably none at Nine-

vah or Young's creek. On the western line there are two small culverts more than on the eastern. It is therefore probable that the quantity of masonry would be somewhat less on the eastern line, but its price might be enhanced by the greater distance from the quarries. A close estimate of the cost of masonry and foundations, would probably shew a slight difference in favor of the eastern line. The cost of these items however, is so peculiarly liable to be enhanced by contingencies occurring in the progress of the work, that any small *estimated* difference may be set aside as not affecting the question at issue.

Curvature.—There are only two curves on the eastern line, both of large radius. On the western there would certainly be three, and probably at Franklin two more, making in all five.

Distance.—The western route is about 1,270 feet shorter than the eastern. So far as distance operates to retard the train, a small part of this difference would be balanced by increased curvature on the western route. Supposing the average cost of grading and track, (exclusive of bridging) to be \$13,000 per mile, then the extra cost of 1,270 feet would be \$3,127, which is but \$737 more than the extra cost of bridging on the western route.

It was found then, that in grading, grubbing and declivity the two routes were nearly equal; that in bridging, culverts, and curvature the balance was in favor of the eastern route; and in distance decidedly, but not largely, in favor of the western route. Any slight difference estimated above might be cancelled by the ordinary contingencies incident to the execution of all public works. On all the points, therefore, falling peculiarly within the province of the Engineer, the two routes were so nearly equal as to leave the question of preference to be determined by other circumstances.

The right of way, the population and produce of the country, the situation of towns and villages contiguous to either route might have an important bearing upon the question. These subjects it did not come within my province to investigate; and the leading facts, as recapitulated above, were submitted for consideration, to yourself and the Acting Commissioner soon after the completion of the survey.

At a subsequent period, in the month of August, by the instruction of the Acting Commissioner, I located the road on the eastern route. The estimates of that location, together with the map and profiles are herewith respectfully submitted.

S. DAY, Engineer.

ANNUAL REPORT

OF THE

FUND COMMISSIONERS,

MADE TO THE 31ST DAY OF OCTOBER, 1839.

*To the Senate and House of Representatives
of the State of Indiana:*

The Fund Commissioners respectfully report the state and condition of the Wabash and Erie Canal Fund, and the General Internal Improvement Fund, including the receipts and expenditures of each from the 2d day of January, 1839, to the 31st day of October, 1839.

In submitting this report the Commissioners regret that it is not in their power to present to the Legislature a settlement with the Board of Internal Improvement for the current year; but will be under the necessity of making a special report of this matter so soon as a settlement can be effected with the Board; nor will our report shew the exact amount of interest due to the Branch Banks of the State of Indiana for suspended payments, their accounts current not having reached us in time to be settled and included in our Bank balances, when by law our report is directed to be placed in the hands of the public printer.

WABASH AND ERIE CANAL FUND.

There has been received since the date of the last annual report:

For state bonds sold—\$400,000 5 per cent. bonds	
at 90—proceeds	\$360,000
“ principal and interest, payments on canal	
lands sold	25,367 62
“ tolls on canal	3,625 58

Total receipts \$388,993 20

There was due from the fund at the date of our last report 31,208 06

Since which there has been expended:—

For interest on state bonds	-	-	43,784 63
" interest on accounts	-	-	4,616 43
" per diem and expenses of fund commissioners	-	-	1,973 92
" clerk hire, expenses of office, &c.	-	-	623 87
			<hr/> 82,206 91

Unexpended 306,786 29

There is now due to this fund:—

From John Scott's estate	-	-	101 57
" Indianapolis branch bank	-	-	5,433 62
" David Burr	-	-	8,309 18
" board of internal improvement	-	-	226,649 64
" Morris Canal and Banking Company	-	-	168,052 34
" Lucius H. Scott	-	-	154 90
" internal improvement fund	-	-	32,919 70
			<hr/> 441,620 95

And there is due from this fund:—

To state bank	-	-	67 98
" Merchants Bank	-	-	87 00
" Fort Wayne branch bank	-	-	73,000 47
" Lafayette " "	-	-	61,667 90
" James Farrington	-	-	8 53
" Wm. S. Hubbard	-	-	2 78
			<hr/> 134,834 66

Due to this fund 306,786 29

General Summary of Receipts and Expenditures of Wabash and Erie Canal Fund.

There has been received since the commencement of the work;—

From road and canal fund	-	-	\$1,892 45
" sale of state bonds, \$1,727,000, proceeds	-	-	1,687,000 00
" premium on state bonds, exchange and interest on deposits	-	-	88,648 64½
" sale of canal lands deducting expenses	-	-	274,304 71
" trespass on canal and sale of yoke of oxen	-	-	120 00
" canal tolls	-	-	5,023 95

Total receipts 2,056,989 75½

There has been expended:—

For construction of Wabash and Erie canal, including all contingent expenses	-	-	1,498,080 07½
" payment of interest on state bonds	-	-	252,123 39

Total expenditures 1,750,203 46½

Unexpended 306,786 29

INTERNAL IMPROVEMENT FUND.

There was on hand and due the fund at the last annual report

809,163 69 $\frac{3}{4}$

Since which there has been received—

From sale of State bonds \$1,552,160 00

“ bal. interest on deposits 42,868 32

“ sinking fund commissioners 34,650 82

“ treasurer of state 28,000 00

“ Lawrenceburgh & Indianapolis R. R. Co. 173 25

 1,657,852 39

 2,467,016 08 $\frac{1}{4}$

And there has been expended—

On account of Central Canal - - 298 92 $\frac{1}{2}$

“ Cross-cut canal - - 1 00

“ per diem and expenses of fund comr's 2,470 47

“ auditor's salary - - 500 00

“ office rent, clerk hire, expense of engraving and numbering bonds 2,049 39

“ interest on state bonds - 141,760 94

“ property received on compromise with Messrs. Cohens & Josephs 4,476 87

 151,557 59 $\frac{1}{2}$

Unexpended - - - 2,315,458 49 $\frac{1}{2}$

There is due to this fund—

From Fort Wayne Branch Bank - 18,641 57

“ Bedford “ “ - 1,068 30

“ bond and mortgage on account of Cohen debt - 113,300 00

“ Board Int. Imp. (to be accounted for by receipts for construction and contingencies for the past year) - 1,355,756 80 $\frac{1}{4}$

“ James Farrington - 36 83

“ Lucious H. Scott - 254 90

“ Milton Stapp - 58 59

“ Morris Canal and Banking Company 647,562 12

“ other eastern banks for state bonds sold 731,461 00

 2,868,140 11 $\frac{1}{4}$

And there is due from this fund—

To Evansville branch bank - 93,854 27

“ Lafayette “ “ - 111,704 00

“ Madison “ “ - 33,429 41

“ Lawrenceburgh branch bank - 50,095 22

“ New Albany “ “ - 88,478 80

“ Richmond “ “ - 14,355 60

“ Terre Haute “ “ - 28,709 33

“ Vincennes “ “ - 15,468 27

“ Lawrenceburgh and Indianapolis Rail R'd Company - 2 81

“ Indianapolis branch bank - 83,646 41

" Wabash and Erie Canal fund	-	32,919 70	
" Wm. S. Hubbard	-	17 80	
		<hr/>	552,681 62
Due to this fund			<u>2,315,458 49½</u>

General Summary of Internal Improvement Fund.

There has been received on this fund—

From sale of state bonds	.	.	5,832,160 00
" commissioners of sinking fund, interest on surplus revenue	.	.	80,661 93
" treasurer of state, improvement tax	.	.	78,000 00
" premium on state bonds	.	.	31,500 00
" interest on deposits and exchange	.	.	133,571 99
" overplus drawn for rail road surveys replaced	.	.	272 70
" sale of oxen and wagon	.	.	105 00
		<hr/>	
Total receipts	.	.	6,156,271 62

There has been paid out on acc't of this fund—

On White-water canal	.	.	543,713 24
" Central canal	.	.	667,467 96
" Wabash canal	.	.	191,799 16½
" Cross-cut canal	.	.	240,231 24
" Madison and Lafayette Rail Road	.	.	970,690 88
" Jeffersonville and Crawfordsville road	.	.	152,024 11
" New Albany and Vincennes road	.	.	296,067 36
" Wabash river	.	.	5,960 61
" Michigan & Erie Canal	.	.	16,242 65
" Indianapolis and Lafayette road	.	.	2,704 14
For interest on state bonds	.	.	405,962 44
" gen. incidental expenses of board internal improvement	.	.	26,767 71
" per diem and expenses of fund com'rs	.	.	5,895 43½
" auditor's salary	.	.	1,007 34
" expenses of office, clerk hire, engraving, and numbering bonds	.	.	5,899 01½
" rail road surveys, repaid to Wabash and Erie canal fund	.	.	22,641 50
" property received on compromise with the Messrs. Cohens & Josephs	.	.	285,536 40
To R. D. Owen per act of legislature	.	.	201 93
		<hr/>	
Total expenditures			3,840,813 12½
			<hr/>
Unexpended			<u>2,315,458 49½</u>

The foregoing statement of the fiscal concerns of our System of Internal Improvement, gives to you a balance-sheet account of the operations of the Fund Commissioners since their last annual report. But in order that you may be fully apprized of the extent of your liabilities and the means of payment, we will endeavor to lay before you a plain statement of the demands against you, with the resources under the control of the Commissioners, applicable to the satisfaction of these demands, so as to enable you to legislate with that light so necessary for the statesman with enlarged and liberal views, who is determined (amid the darkness and gloom with which he is surrounded,) to lead his country through *a crisis* with its faith inviolate, and its institutions fixed on a sure and firm foundation.

Before presenting to you the situation of our demands and debts as proposed, we will be permitted to remark, that it is not for us to predict the effect the present derangement of the monetary affairs of the country may have upon the collection of our debts, we hope and believe, that the wealth of our country in its rich soil, industrious citizens, and productive labor, with an energetic and enterprising commercial community will soon rise above her present embarrassments and liquidate the debts of the country in a satisfactory manner.

Should this be the case, we have every confidence that the debts due to us in the foregoing accounts will be satisfactorily arranged, and promptly paid. The integrity of the institutions indebted to the state, stands before us unimpeached, and their ability to meet their engagements in times of ordinary prosperity, cannot be doubted.

But if, on the contrary, the commercial and moneyed embarrassments with which we are surrounded shall continue to press upon us until the moneyed institutions of the country shall exhaust the means they possess in sustaining their credit, and sink under the laudable effort; then, indeed, may there be danger of long delay in their collection, if not ultimate loss. In making the exhibit proposed, we are accurate in the principal sums due from and owing to us, but do not pretend to entire accuracy in our calculations of interest on the ordinary amounts stated in the account, but are near enough to the real state of the interest for all legislative purposes.

THE WABASH AND ERIE CANAL FUND.

There is due and owing to this fund, from the Morris Canal and Banking Company:

Due at this date	-	-	-	-	\$38,052 34	
" on the 1st of Dec. 1839	-	-	-	-	50,000 00	
" on the 1st of January, 1840	-	-	-	-	80,000 00	
						\$168,052 34
" From the Internal Improvement fund	-	-	-	-	32,919 70	
" " John Scott	-	-	-	-	101 57	
" " David Burr	-	-	-	-	8,309 18	
" " Indianapolis Br. Bank	-	-	-	-	5,433 62	
" " L. H. Scott	-	-	-	-	154 90	
						46,918 97
Interest on the above debts to 1st Jan. 1839 (est)	-	-	-	-	8,300 00	
Interest on canal lands sold (est.)	-	-	-	-	22,000 00	
Tolls for the last quarter of this year (est.)	-	-	-	-	1,000 00	
						31,300 00
Making in all	-	-	-	-	-	\$246,271 31

And there is due and owing from the fund

To the State Bank	-	-	-	67	98
" the Merchant's Bank, New York	-	-	-	87	00
" the Fort Wayne Branch Bank	-	-	-	73,000	47
" the Lafayette Branch Bank	-	-	-	61,667	90
" William S. Hubbard	-	-	-	2	78
" James Farrington	-	-	-	8	53
" Contractors on estimates to 31st October, 1839				64,115	00
For interest on state bonds due 1st January, 1840				43,675	00
" Interest on the above bank debts (estimated)				2,500	00
				<u>245,124</u>	<u>66</u>

Leaving - - - - - 1,146 65
 wherewith to continue the construction of this work when the foregoing balances shall have been settled and paid.

The annual interest payable on state bonds sold for the construction of this work is	-	-	87,350	00
Of which there is annually paid, interest derived from canal lands sold (estimated)	-	-	22,000	00
Tolls from the canal	-	-	4,000	00
			<u>26,000</u>	<u>00</u>

Leaving - - - - - \$61,350 00

to be paid each year out of the principal derived from the sale of canal lands or to be provided for by legislative enactment.

The state has sold bonds for the construction of this work to the following amount, to wit:

6 per cent. bonds	-	-	-	100,000
5 per cent. bonds	-	-	-	1,627,000
				<u>\$1,727,000 00</u>

To reimburse which the state has a fund in part as follows, to wit:

Am't due & owing for canal lands sold (about)	370,000
Ninety thousand acres of land unsold, estimated by the chief engineer at	630,000
	<u>1,000,000 00</u>

Leaving - - - - - \$727,000 00
 to be provided for from the year 1862 to the year 1889.

INTERNAL IMPROVEMENT FUND.

There is due and owing to this fund—

From the Morris Canal and Banking Company

Due at this date	.	.	\$499,562	12
Due 1st Dec. 1839	,	.	50,000	00
Due 1st Jan. 1840	.	.	50,000	00
Due 1st Feb. .	:	.	50,000	00
			<u>\$647,562</u>	<u>12</u>

From other Banks in New York

Due at this date	382,361 00
" 1st December, 1839	66,000 00
" " January, 1840	85,000 00
" " February, "	17,000 00
" " March, "	5,600 00
" " April, "	15,000 00
" " May, "	25,000 00
" " June, "	34,100 00
" " July, "	40,000 00
" " August, "	37,000 00
" " September, "	10,000 00
" " November, "	5,000 00
" " December, "	5,000 00
" " January, 1841	5,000 00
	<hr/>
	731,461 00

From Bonds and Mortgages taken for part of the Cohens' debt

Due 1st July, 1840	5,000 00
" " 1841	5,000 00
" " 1842	5,000 00
" " 1843	57,000 00
" " 1848	41,300 00
	<hr/>
	113,300 00

From the Fort Wayne branch bank

" Bedford	18,641 57
	1,068 30
	<hr/>
	19,709 87

Milton Stapp	58 59
L. H. Scott	254 90
James Farrington	36 83
	<hr/>
	350 32

Real property and stocks not available, (Cohen debt)	285,336 40
Interest due on the debts above mentioned to 1st January next, (estimated)	54,300 00
	<hr/>

Amount actually due and owing to the fund	1,852,019 71
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Due from the fund—

To the branches of the State Bank of Indiana,

principal and estimated interest	529,741 31
" Wabash and Erie canal fund	32,919 70
" Lawrenceburgh and Ind'ps railroad co.	2 81
" William S. Hubbard	17 80
" contractors on estimates to 31st Oct. 1839	699,795 39
	<hr/>
	1,262,477 01

Leaving \$589,542 70

wherewith to continue the prosecution of our system of internal improvement when the foregoing balances shall have been settled and paid.

The annual interest payable on state bonds sold, to raise means for the prosecution of our system of internal improvements, including exchange on London for the amount payable there, is - - 301,600 00

For which there is a tax now levied of 30 cents on the hundred dollars value of real personal property, taxable in the State of Indiana, amounting in the year 1839 to - - 321,000

Amount received from surplus revenue fund (say) 34,000

355,000

Deduct for delinquencies and expenses of collecting 15 per cent on the \$321,000 - 48,150

306,850 00

The state has sold bonds for the construction of her works of internal improvement, to the am't of - - - - - \$5,932,000 00

all of which bear five per cent. interest per annum, and are reimbursable in 1861, 1862, and 1863.

The state has sold other bonds, to wit:

1st. On account of Lawrenceburgh and Indianapolis Rail Road Company - - 221,000

2d. On account of Surplus Revenue - - 294,000

3d. On account of the State Bank - - 1,890,000

\$2,405,000 00

The interest on which is provided for—

1st. By the Lawrenceburgh and Indianapolis Rail Road Company.

2d and 3d. By the State Bank of Indiana.

Recapitulation of State Bonds sold.

Wabash and Erie Canal	-	-	1,727,000
Internal improvement	-	-	5,932,000
Lawrenceburgh and Indianapolis R. R. Co.			221,000
4th Instalment of Surplus Revenue	-	-	294,000
State Bank of Indiana	-	-	1,890,000
			<hr/> \$10,064,000 00

In laying before you the state and condition of our finances, we regret that we cannot present to your honorable body a more cheering prospect for future operations in our system of Internal improvements. The large amount of State stocks thrown suddenly into market for internal improvement and banking purposes connected with the embarrassed condition of the commercial affairs of the country, and the contraction of moneyed facilities usually afforded, by the Bank of England; all conduce to the depression of the prices usually obtained for state securities. But no community possessing the abundant resources of the State of Indiana, can be long depressed either at home or abroad. Let her continue true to herself—let her consider her plighted faith as above all price, and let her in every situation however trying, and under all circumstances however embarrassing, resolve to protect her honor and credit, and it is confidently believed that the time is not far distant when her securities will be again sought for.

As intimately connected with the interest and welfare of the State, the Board have felt great solicitude that no loss should accrue from injury to any of her public works by their being left in an unprotected state, and they have exerted themselves unceasingly to procure the necessary funds to effect that object, and they are gratified to say, not entirely without success, so that in the unavoidable suspension of the works generally, it is believed that means have been provided sufficient to prevent any such damage.

It would readily occur to the Legislature that the best interests of the State require that in the application of her resources such works should be selected as can be finished with the least expense, and will be most productive when completed.

Which is respectfully submitted.

MILTON STAPP, } Fund Com'rs.
L. H. SCOTT, }

REPORT
OF THE
FUND COMMISSIONERS,
RELATIVE TO
STATE BONDS SOLD.

DECEMBER 6, 1839.

Read, laid on the table, and 500 ordered to be printed.

OFFICE FUND COMMISSIONERS, }
Indianapolis, 4th Dec. 1839. }

HON. DAVID HILLIS,
President of the Senate:

SIR—I have the honor herewith to transmit report of State Bonds sold since the first day of March last; which please lay before the Senate.

Very respectfully your ob't serv't,

L. H. SCOTT, F. C.

OFFICE BOARD FUND COMMISSIONERS, }
 Indianapolis, Nov. 1st, 1839. }

*To the Senate and House of Representatives
 of the State of Indiana:*

The undersigned Fund Commissioners now report to your honorable body, that on the 24th day of April last, they concluded a contract with the Morris Canal & Banking Company for a loan of four hundred thousand one hundred sixty dollars, on five per cent. stocks at eighty eight cents for the dollar of dollar bonds, and ninety-eight cents for sterling bonds, to be paid for as follows:

On the 1st day of May, 1839,	-	-	-	\$50,000
On the 1st day of June, “	-	-	-	50,000
On the 1st day of Sept. “	-	-	-	50,000
On the 1st day of Oct. “	-	-	-	50,000
On the 1st day of Nov. “	-	-	-	50,000
On the 1st day of Dec. “	-	-	-	50,000
On the 1st day of Jan. 1840	-	-	-	50,000
On the 1st day of Feb. “	-	-	-	50,160
				<hr/>
				\$400,160

And delivered to the Institution bonds of the State, viz: Two hundred thirty-two bonds of one thousand dollars each, dated July 1st, 1838, and payable 1st July, 1863, first six months interest payable 1st July, 1840; principal and interest payable at the Morris Canal & Banking Company in the City of New York, at 88 cents to the dollar, amounting to \$204,160—and two hundred sterling bonds of two hundred and twenty-five pounds sterling each, payable at the Banking house of N. M. Rothschild & Son in London at 98 cents to the dollar, amounting to \$196,000—forming the aggregate of four hundred thousand one hundred and sixty dollars. The Bonds were signed by Isaac Coe, James Farrington, and Caleb B. Smith, former Fund Commissioners, and were numbered as follows: The first 232 bonds numbered from 3301 to 3532 inclusive, the remaining 200 numbered from 1401 to 1600 inclusive, all dated 1st July, 1838, and payable 1863, the first six months interest payable 1st July, 1840.

That on the 15th day of May, 1839, they contracted for the sale of twenty thousand dollars of State Bonds to the Binghamton Bank in the state of New York, at 88 cents to the dollar, payable as follows:

1st. Interest from 1st January to 1st May, 1840,	\$333 33
2d. Cash at the time of sale	5,000 00
3d. Acceptance at 6 months	2,500 00
4th. do at 9 months	5,000 00
5th. do at 12 months	5,000 00

17,933 33

Discount 2,400 00

20,333 33

Deduct interest paid in advance 333 33

\$20,000 00

The last instalment having been paid in September last, there remains nothing due upon this sale.

These Bonds are also dated 1st July, 1838, and payable at the Morris Canal & Banking Company on the 1st day of July, 1863, the 1st six months interest payable 1st July, 1839, and numbering from 3533 to 3552 inclusive. Said bonds signed by the same Commissioners as those before named.

On the day of August last the Board contracted with the Morris Canal & Banking Company for the sale of \$600,000 five per cent. stocks at 88 cents to the dollar; but by mutual consent only \$380,000 were delivered, for which the Board received the following securities for the proceeds of the sale, amounting to \$334,400:

From Bank of Commerce, New York	-	-	\$48,000
" Erie County Bank	-	-	192,000
" Binghampton Bank	-	-	76,800
" Morris Canal & Banking Company	-	-	17,600
			<hr/>
			\$334,400

MILTON STAPP, }
L. H. SCOTT, } *F. Comm'rs.*

ANNUAL REPORT

OF THE

LATE COMMISSIONER OF THE MICHIGAN ROAD.

RELATIVE TO

MICHIGAN ROAD LANDS.

DECEMBER 13, 1839.

Read, laid on the table, and 200 copies ordered to be printed.

CHIPPEWA, December 4, 1839.

SIR—I herewith transmit my annual report with the accompanying documents; and I have to request you to lay them before the body over which you preside.

I am, very respectfully,

Your obedient servant,

WM. POLKE.

Late C. M. R.

HON. DAVID HILLIS,

18

President of the Senate.

Agreeably to law and former practice, the late Commissioner of the Michigan road, submits his report, that on receiving a copy of the act providing means for the completion of the White river bridge on the Michigan road, approved February 16th, 1839, he discovered by the first section of said act, he was continued in office until the first day of September to complete the sale of the residue of the Michigan road lands if possible without too much sacrifice, as the law prescribing the mode of selling the Michigan road lands directed an office to be kept open for the entry in half quarter sections and fractions at one dollar and twenty-five cents per acre, he continued to keep the office open until the first day of September without any application or sale as by law he was not authorized to sell for a less price, consequently the amount of 739 and 98-100 acres named in his last report remains unsold.

By the act approved Feb. 12th, 1838, to construct a bridge over White river on the Michigan road, he was continued in office for the special purpose of selling the Michigan road lands, and perfecting the title to the same. In conformity thereto, on the 12th of July, he addressed a letter to the Hon. James Whitcomb, of which Document A. accompanying this communication is a copy. Documents B. and C. are his answer to the same, dated the 30th of August and 11th of November, by which it will be seen that the final certificate of title has been transmitted to the office of the Secretary of State for Indiana; bringing to a close this tedious and complicated business, so that the title is now complete to the State of Indiana for the entire road grant. By comparing and adding up the amount of acres named in the letter of the Hon. James Whitcomb, of February 24th, 1837, in which he stated there was then approved a cor-

rected list of	113,107 acres 21-100	
In his letter of November 11th, 1839	57,862 " 34-100	
		170,969 35
Entire road grant as per letter John M. Moore, Acting		
Commissioner, dated August 14th, 1835		170,414 42
		<hr/>
Excess confirmed over the road grant		554 93

As all the papers of the late Commissioner of the Michigan Road are deposited in the Auditor's office by comparing the certificates of title with the tract books and register of sales, it may be ascertained whether some tracts are included in the certificates that have not been included in the tract books and sales, from the corrections and correspondence that were necessary to correct some errors and select some tracts in lieu of others sold by the United States. Such a result is very probable, in which case it will be proper to have such tracts included and sold with the residue of the Michigan Road lands.

Since his last report an error has been discovered in selling the east half of north west quarter of section 12, township 28, north of range 5 east, to Phebe Clymer, as will appear by register of certificates No. 2038, the land having previously been sold to Abraham Goode, as appears by register of certificate No. 2030. Document D, herewith submitted, will show the amount on hand at his last annual report, amount since paid to White River and Eel River bridges and some other small contingencies, printers' bills &c. for former advertising; and also the amount that your late commissioner has retained in his hands until the General Assembly shall act upon his claims

for remuneration which he presented to the last General Assembly (and which a committee of the House unanimously recommended to be allowed on the principles of justice to your late commissioner) to which he again respectfully requests the attention of the General Assembly, and that a committee may be appointed to investigate his claims on the principles of strict justice and rigid economy, and that such further allowance may be made as the General Assembly may believe he is entitled to agreeably to the usual practice and the laws in force concerning the Michigan Road. He would respectfully call the attention of the General Assembly to his last report and accompanying documents.

Document E, herewith submitted, is a recapitulation of what he believes he is entitled to from the proceeds of the lands when sold, including what now remains in his hands.

All which is respectfully submitted,
Chippewa, Dec. 4th, 1839.

WM. POLKE,
Late Com'r. M. R.

P. S. Should the General Assembly appoint a committee to investigate his claims he requests that the Hon. N. B. Palmer, Treasurer of State, Samuel Merrill, Calvin Fletcher, and William Sheets, Esqrs. may be examined by the committee as to the importance of his services in the correspondence with the Commissioner of the General Land Office, and in selecting and selling the lands in a pecuniary point of view, to the State of Indiana.

W. P. L. C. M. R.

A

CHIPPEWA, July 12th 1839.

SIR: By an act of the General Assembly of the State of Indiana, passed at their last session, I was continued in office as Commissioner of the Michigan Road until the 1st day of September 1839, with directions to have all the lands sold, and make a final settlement, which cannot be made until the certificate of the balance of the lands selected for the Michigan road is received from the General Land Office. I would respectfully request, that as early as convenient the same may be made out and forwarded to the office of the Secretary of State for the State of Indiana.

I am your obedient servant,

WM. POLKE,
Commissioner M. Road Lands.

HON. JAMES WHITCOMB,
Commissioner of the U. S. G. Land Office.

B

GENERAL LAND OFFICE,
August 30th, 1839.

SIR—I have to acknowledge the receipt of your communication of the 12th ultimo, requesting this office to forward the certified lists of the balance of the land selected for the Michigan road grant, in order to enable you to

comply with the provisions of an act of the General Assembly of the State of Indiana, continuing you in office as commissioner of the road, until the 1st of September next, "with directions to have all the lands sold and make a final settlement."

In reply I have to state, that some examinations relative to the surveys connected with the selections, have had the effect to delay the action of this office a few days, and to defer the immediate acknowledgement of the receipt of your communication, which having been disposed of, the lists, with a few necessary corrections, will be submitted to the President and immediately after they are approved by him they will be transmitted to you.

I am, sir, very respectfully,

Your obedient servant,

JAMES WHITCOMB, Com'r.

To WILLIAM POLKE, Esq.

Acting Com'r Michigan Road,

Chippewa, Fulton co. Ia.

C

GENERAL LAND OFFICE,

Nov. 11th, 1839.

SIR—In compliance with your request of the 12th July last, there has this day been transmitted to William J. Brown Esq. Secretary of State for Indiana, a certified statement, under the seal of this office, of the several tracts (containing a quantity of 57,862 34-100 acres,) selected by you in the Laporte district, to complete the grant made to the state of Indiana, for the construction of a road from Lake Michigan, by way of Indianapolis, to the Ohio river.

I am, very respectfully,

Your obedient servant,

JAMES WHITCOMB,

Commissioner.

WILLIAM POLKE, Esq.

Chippewa, Fulton county, Indiana.

WILLIAM POLKE, Commissioner, in account with the State of Indiana.

ecem ber, 1839.		<i>Cr.</i>	
	By error undercharged in payment White river bridge, viz.	300	\$3 33
	By amount paid White river bridge	370	185 39
	By amount paid editor Chicago American— printing advertisement land sales	371	10 00
	Do Goshen Democrat	372	3 00
	By amount paid J. Vigus & Co. Eel river Br.	373	125 00
	Do White river bridge	374	351 46
<i>Dr.</i>			1 78 $\frac{3}{4}$
Amount on hand as per last year's report,	\$1172 39		
Since received of D. Yandes unexpended balance on Michigan Road survey Ind. treasurer -	185 39		
	Charged to balance account		
	Correct statement of money retained		78
			679 96 $\frac{3}{4}$
			678 81 $\frac{1}{4}$

135

WILLIAM POLKE,
Late C. M. R.

RECAPITULATION of claims presented for allowance to the General Assembly. Wm. Polke, late Commissioner of the Michigan Road, as per last year's report.

For 1835	-	-	-	-	-	-	\$437 56
For 1836	-	-	-	-	-	-	350 00
For 1837	-	-	-	-	-	-	355 55
For continuing the correspondence through 1838 and 1839, until the like was completed what the General Assembly may believe he is entitled to, which Commissioner be- lieves ought to be	-	-	-	-	-	-	50 00

\$1193 00

WILLIAM POLKE,
Late C. M. R.



REPORT

OF THE

FUND COMMISSIONERS,

RELATIVE TO

DAVID BURR'S DEFALCATION.

DECEMBER 12, 1839.

Read, laid on the table, and 200 copies ordered to be printed.

OFFICE FUND COMMISSIONERS, }
 Indianapolis, 13th Dec. 1839. }

HON. DAVID HILLIS,
President of the Senate:

SIR—In compliance with the requisition of the resolution of the Senate of the 11th instant, in relation to the defalcation of David Burr, I have the honor to state that the balance due from Mr. Burr at the time of his resignation, was

Of which there has been paid

\$21,380 18
 17,919 00

Leaving a balance due of

\$3,461 18

I am informed by one of Mr. Burr's securities that two thousand dollars more will be paid in a few days, and that about one thousand dollars are due to Mr. Burr for his salary as Engineer on the Wabash rapids, which will reduce the account to a little more than four hundred dollars. It is expected the whole account will be finally closed before spring.

Very respectfully your ob't serv't,

L. H. SCOTT, *F. C.*

REPORT

OF THE

FUND COMMISSIONERS,

IN RELATION TO

THE SALE OF STATE BONDS

DECEMBER 12, 1839.

Laid on table, and 200 copies ordered to be printed for the use of the Senate.

OFFICE OF FUND COMMISSIONERS,
12th Dec. 1839.

Hon. DAVID HILLIS,

President of the Senate:—

Sir—In obedience to the resolution of the Senate of the 11th inst., requesting the Fund Commissioners to report to the Senate “whether or not the bonds of the State sold by them for internal improvement purposes have been transferred to the purchasers previous to the payment therefor, and if so, what amount have been so transferred and remain unpaid, and what security has been taken for their punctual payment, and by what authority said bonds have been sold on credit?” I have the honour herewith to transmit the information required.

In regard to the authority by which the bonds of the State have been sold on credit, I know of none excepting that which is derived from the si-

lence of the law, the prevailing custom in all stock markets, and the *necessity* of the case. The Fund Commissioners are directed to sell the bonds and raise the money for our public works, but I would respectfully remark that, in any condition of the stock market, it would be impossible to sell in very large amounts and on fair terms, for cash in hand. The system governing stock operations is substantially a *credit system*. The agent in New York purchases for his principals either in America or Europe, agreeing to pay for them in instalments to meet the necessities of the State; and if purchased on European account, he sends them out and they may pass through several hands before the instalments become due. Whenever the Commissioners entertain the least doubt of the responsibility of the purchasers, satisfactory collateral security is required. In relation to the sales to the Morris Canal and Banking Company, without security, I can only say that I have understood the commissioners who made those sales, to give as a reason, the fact of that institution having been the purchaser of upwards of five and a half millions of our securities, and had never been known to fail in meeting promptly each payment as it became due, but on one occasion were in advance about five hundred thousand dollars, and at different periods smaller amounts. This report it will be perceived, does not embrace the balance due from the Cohens, as the securities taken upon that debt, were fully reported by Doctor Coe, the agent who conducted the negotiation, and by the former Board of Fund Commissioners in their report of December, 1838.

Respectfully submitted,

L. H. SCOTT,
Fund Commissioner.

BONDS of the State sold for Internal Improvement purposes, (most of which were transferred to the purchasers previous to the payment therefor.)

Date of sale.	To whom sold.	Am't of sale.	Amount due on sale.	Character of securities taken.
August, 1832	J. D. Beers & Co	100,000 00		
February, 1835	Prime, Ward & King	300,000 00		
April, "	Secretary of War	65,257 42		
August, "	J. J. Cohen, Jr. & Br.	200,000 00		
September, "	Prime, Ward & King	40,000 00		
July, 1836	Secretary of War	2,742 58		
"	Thomas Biddle & Co. and Morris Canal & B. Co.	139,000 00		
"	J. J. Cohen, Jr. & Br.	500,000 00		
November, "	Thomas Biddle & Co. and Morris Canal & B. Co.	450,000 00		
June, 1837	Christmas & Co.	30,000 00		
July, "	Morris Canal & B. Co.	750,000 00		
September, "	Same	1,050,000 00		
October, "	Same	200,000 00		
June, 1838	Staten Island W. Co.	40,000 00		
July "	Bank of Western N. York	300,000 00	240,000 00	Bonds and mortgages and the personal liability of the members of the Georgia Land Company.
October, "	Erie County Bank	100,000 00	26,000 00	Bond of mortgages and bonds of the bank.
"	Detroit & Pontiac Railroad Company	100,000 00	95,000 00	Bonds of Exchange Bank of Buffalo and a lien upon the rail road.
November, "	Staten Island Whaling Co.	60,000 00	58,661 00	Bonds and mortgages and individual responsibility of each member of the Company.
November, "	Morris Canal & B'king Co	1,200,000 00		The security upon which the Board rely for the payment

of this debt is contained in the annexed statement made under oath to the legislature of New Jersey, dated 11th Feb. 1839.

January, 1839 Same
 February, " Same
 April, " Same
 May, " Binghampton Bank
 August, " Morris Canal & B. Co.

800,000 00
 400,000 00
 432,000 00

229,802 12
 168,052 34
 400,160 00

\$798,014 46

17,600 00 On account of sale in Aug.

815,614 46

Paid.

20,000 00
 380,000 00

329,400 00

Of this sum we have security on \$316,800 by bonds and mortgages, bank stocks, and the notes of the Bank of Gallipolis, and personal obligations that are thought to be entirely safe.

\$7,659,000 00
 1,547,075 46

L. H. SCOTT, F. C.

A STATEMENT of the Affairs of the Morris Canal Bank, on the first day of February, 1839, made by the President and Cashier, in compliance with the requisition of the 18th section of the Act incorporating the Morris Canal and Banking Company.

DR.		CR.	
Bills receivable—Amount on hand,	\$2,143,168 28	Capital Stock—am't paid for banking purposes,	\$1,000,000 00
Morris Canal—loaned by the Bank to the Canal at sundry times,	365,837 69	Bonds payable in London, redeemable in 1846;	1,261,777 77
Purchase of Indiana Stock,	1,970,917 11	Bonds payable at Banking house,	71,000 00
Real Estate—Banking house in Jersey-City,	22,280 67	State of Indiana, due Commissioners,	1,610,167 34
Loans on Stocks,	251,609 70	State of Michigan, do.	1,027,109 99
Sundry Stocks on hand,	996,450 00	Advances on Indiana Bonds,	1,058,536 61
Due from City and For. Banks and individuals,	1,318,774 25	Bills payable,	120,121 42
Morrison, Cryder & Co. London,	79,667 26	Post Notes,	512,604 26
William Willink, jr. Amsterdam,	18,342 07	Bank Notes, total amount in circulation,	290,553 07
Loans on Bonds and Mortgages,	43,445 00	Interest Fund on Indiana Bonds,	127,038 75
Contingent Expenses,	20,317 66	Smith, Payne & Smiths, London,	182,555 07
Cash on hand—Checks and Notes, \$161,515 55		Gowan & Marx, London,	4,444 44
Specie,	69,793 56	Unclaimed Dividends,	182 00
	231,309 11	Profit and Loss for balance of this account,	196,028 15
			\$7,462,118 80

Morris Canal and Banking Company, Feb. 1, 1839.

ISAAC GIBSON, Cashier.

Consolidated Statement of the MORRIS CANAL up to first February, 1839.

146

Dr.		Cr.
Morris Canal and Branch to Pompton—Feeders, reservoirs, and pier at Jersey City—for the cost thereof,	\$3,111,341 54	Capital stock, 3,100,000
Real estate at Jersey City, Newark, and other places, adjacent to the canal, feeders and reservoirs,		Holland loan, 748,800
Canal Boats—for the cost and repairs thereof,	269,891 05	Morris Canal Bank, 365,837 69
Repairs and expenses current for 1836, 1837, and 1838,	152,999 66	Canal tolls, 1836, 151 39
Advances on coal on hand, and sold for account of lessees and others,	62,022 63	Bills payable, 1,565
Freights on coal, advanced, in 1838, to the Lehigh and Beaver Meadow Company,	408,875 44	Lehigh Coal and Navigation Company, 7,708 33
Advance on coal to Hazleton Co. for the year 1839,	64,000	E. M. Patterson, superintendent, 929 39
Transportation of coal, 1836, unsettled,	51,000	Purchase Hazleton coal, 1,395 28
Contingent expenses,	3,771 12	
Expenses on coal, year 1838,	738 03	
Profit and loss,	3,490 88	
Interest account,	2,797 64	
Balance due by sundry unsettled accounts advanced to contractors, real estate, damages, &c.	52,109 02	
	43,350 07	
	<u>\$4,226,387 08</u>	<u>\$4,226,387 08</u>

Morris Canal and Banking Company, February 1, 1839.

ISAAC GIBSON, Cashier.



REPORT

OF

MR. EWING OF ALLEN,

FROM A

SELECT COMMITTEE,

RELATIVE TO THE

WABASH AND ERIE CANAL.

DECEMBER 11, 1839.

Read, laid on the table, and 100 copies ordered to be printed.

Mr. Ewing of Allen, from the select committee to whom was referred a resolution of the Senate on the subject of that part of the Wabash and Erie canal which lies within the limits of the state of Ohio, made the following report, accompanied with a joint resolution:

Mr. PRESIDENT—

The select committee to whom was referred so much of the Governor's message as relates to the tardy operations of Ohio in the construction of that part of the Wabash and Erie canal that lies within her territory, have had that subject under consideration, and have directed

me to report, that from the best information they have been able to obtain, the complaint suggested in the message, is most unfortunately for our state, but TOO WELL FOUNDED, and that unless Ohio can be induced to direct a speedy completion of her portion of it, great losses and injuries must annually be sustained by Indiana, for 3 or 4 years yet to come before it will be finished; and to obviate this, the committee are of the opinion that a special commissioner should be sent without delay to the seat of government of Ohio, and make a full representation of this grievance to the members of the Legislature of that state and solicit their co-operation, in affecting a speedy completion of this great work; and that if possible it may be finished from Lafayette to Lake Erie the next season. It is unnecessary further to refer to the compact between the two states other than to observe that Ohio accepted from Indiana the valuable land granted along the route, of five sections per mile, and sufficient when sold and realized, to construct her part of it, with the full expectation and understanding that she would prosecute the work in unison with the feelings and interest, and in accordance with the just expectations of Indiana. In other words, that she became a party by the cession of Indiana, in the noble enterprise of connecting the great lakes, with the navigable waters of the Mississippi, through the rich valley of the Maumee and the Wabash; and it was to be expected, that a reciprocity of action and an immediate and simultaneous prosecution of the great work would have marked the action of both states; for it was most obvious that all that portion of it, in Indiana, must be unproductive, and almost valueless, until extended to Lake Erie and connected with its commerce, by a completion of it in Ohio.

Through this channel, if completed, there would be sent an immense quantity of flour, pork and other produce from Indiana and Illinois, to the northern markets; and for these states as well as for the far west, vast quantities of goods would be cheaply transported; all this immense business is now driven into other more circuitous and expensive channels. The citizens of the interior of Indiana have more especially to feel these burthens; had this canal been completed, for the last five years, it is believed that the saving to the citizens of Indiana, upon the single article of salt would have amounted, yearly to more than the annual interest on all the money required to finish the whole canal in this state, and to this may be superadded the fact that the interest on all the money, Indiana has been spending for the last 8 years, has been and will continue to be lost; for until completed to the Lake our part, will not pay more than the repairs. Add the small amount of \$168,000 yet required to finish our part to that heretofore expended, and it will amount to some less than 2 millions of dollars; at the present high rates of interest and great scarcity and value of money, the interest on this may be estimated worth from \$120 to \$150,000 annually lost to Indiana,—if completed to the Lake our portion of it would it is thought, annually yield us a clear income from tolls and other sources of from 2 to 300,000 dollars, which would now be most truly very acceptable, to aid us in paying interest on loans; these are

losses much to be regretted, and if possible that should be speedily remedied; prompt and vigorous measures and actions on the part of both states, due to each other and to the expectations, created throughout the union, by reason of the liberal donation, will accomplish it by the close of another season.

As to Indiana it is all important that her part should be finished, as early as possible next season, for another reason, that the proceeds of the canal lands, and those yet to be procured in the late Miami purchase, may be sold and the avails estimated to be from \$800,000 to one million of dollars, may be used by the state to relieve the people from the burthen of taxation, on her loans or in the prosecution of other works; this latter disposition of them, now all important in our embarrassed condition, cannot be made until the whole of our part of it is completed. The committee cannot believe that Ohio would continue to disappoint the just expectations of Indiana, or longer to embarrass her with the losses referred to, if a full representation of the facts were made to the members of her Legislature and with this view of the subject, the committee unhesitatingly recommend the appointment of a special Commissioner as before suggested. From the information obtained of the former TARDY prosecution of this work in Ohio, it is greatly to be feared, should like policy prevail, that some 3 or 4 years may yet pass by before it is completed to Lake Erie; whereas the whole of it with that unfinished in Indiana, might by the adoption of vigorous measures, by both states, be completed the ensuing season. One other remark, that is most painful for the committee to make, and they take leave of the subject so far as relates to the course pursued by Ohio; that is in relation to the construction of a central part of this canal, from the Indiana line to the Auglaize river a distance of 18 miles, some 15 or 20 feet narrower and 2 or 3 feet shallower than it is 60 miles east of it in Ohio and 20 miles west, in Indiana. This link that connects from the Miami canal, to the wide canal from Fort Wayne, to meet them should certainly be as wide, and as deep, as the balance of the canal east and west of it, to construct almost central in this thoroughfare a piece of canal narrower and shallower, to interrupt a large class of boats that might be employed east of it, or in Indiana, where it is constructed large to Fort Wayne, is certainly an occurrence that can justly be complained of. And as far as relates to the prosecution of this great work in Indiana, important as it is to the whole State, and of general and permanent interest to all its citizens, your committee regret to be compelled to say, that they find but little to admire or applaud, and trust that it will not be taken as an example for future operations.

Thus, in 1832, operations were commenced on it. Near eight years have passed away and a line of canal of only 150 miles in length, though one of the cheapest and most favored routes in the world, is yet UNFINISHED; a longer time than was taken by New York (when under the direction of the patriotic Clinton), to finish the New York and Erie canal of 350 miles in length, with Herculean obstacles to encounter and overcome; a longer time than Ohio employed in collect-

ing lake Erie with the Ohio river, through a much more difficult route of 300 miles in length.

The committee feel constrained to say that in their opinion, half of eight years were sufficient to have finished the part in Indiana, had the commissioners, in charge of its construction, directed as was their duty, a decisive and energetic prosecution of it, with a view to a speedy completion. Had this been done, Ohio would have doubtless been stimulated by the example, and complaints against her for *tardiness*, would not now be called for. Such a course would have been the means of saving large sums of interest on millions of money loaned, and salaries to officers continued from year to year, by these unnecessary delays; another year will yet be required, stretching it through nine long and tedious years, and attended with a loss of half a million of dollars in unnecessary salaries; loss of tolls, and interest as before observed.—The prosecution of the public works should have been in the opinion of your committee characterized by *economy*, both as to *money* and as to *time*, and by making vigorous exertions on the part of commissioners, marked with decision, firmness, promptness, and fearlessness of responsibility, in all their supervisory duties. There is yet unfinished in Indiana, as we learn from the message, as follows, to wit:

Wabash Canal from Tippecanoe to Lafayette	-	\$30,577
Wabash and Erie Canal from Ohio State line to the mouth of the Tippecanoe	- - -	138,003

Making \$168,580

Your committee therefore unhesitatingly recommend, that this small amount of work be immediately placed under contract to be as speedily as possible finished, and have reported a joint resolution to that effect; and it is then confidently hoped, that Ohio will use all the means in her power, to reciprocate by an equally **SPEEDY COMPLETION** of her portion of this very important public work.

Your committee therefore recommend the adoption of the following joint resolution, and ask to be discharged from the further consideration of this subject.

REPORT
OF
TREASURER OF STATE,
RELATIVE TO
INTEREST ON STATE BONDS SOLD.

DECEMBER 21, 1839.

Read and referred to committee on Canal Fund, with order for printing 500 copies for the use of the Senate.

TREASURER'S OFFICE,
Indianapolis, Dec. 20th, 1839.

HON. DAVID HILLIS,
President of the Senate.

The undersigned is notified that the Senate have adopted the following resolution, viz:

"*Resolved*, That the Treasurer of State be, and he is hereby requested to inform the Senate, at as early a day as may be convenient, what amount of gold or silver, or other par money, has been recently forwarded by the state authorities to the city of New-York to meet the interest that will soon be due on state bonds sold to the Morris Canal and Banking Company, (by our fund agents,) who have failed to comply with their contract with said commissioners, and to meet and pay the interest on our bonds, which they have had and hypothicated, pledged, or sold in London.

And that he furnish this Senate with further reasons, if he is in possession of any, why the state has been thus called on to pay interest on bonds which have been sold by our fund agent, and in what way it has been provided for which it is believed that the state has yet received

nothing for them, as well as any other information in his possession which is connected with this most calamitous occurrence."

In responding to the foregoing resolution, the undersigned states that he has no official information in relation to any amounts of gold or silver or other par fund having been recently forwarded by the state authorities to the city of New-York to meet the interest on state bonds sold to the Morris Canal and Banking Company. The duty of attending to the payment of interest on the public debt, being no farther confided to the Treasurer of State, than to pay over to the fund commissioners the amount of revenue arising from the property tax, it has not become necessary; nor does the law require that any record or papers connected therewith, should be made or filed in the office of Treasurer of State, other than the Auditor's warrants for the amount of revenue so paid to the fund commissioners.

For the information called for in the latter clause of the resolution, the undersigned herewith communicates copies of letters from N. M. Rothschild & Sons, London, and from A. Bellmont their agent in New York, being all the information in the possession of the undersigned in relation to the matter.

Very respectfully, your ob't serv't,

N. B. PALMER,
Treasurer of State.

To the Treasurer of the State of Indiana, Indianapolis:

NEW YORK, October 11, 1839.

SIR—I have the honor of enclosing you herewith a letter received by the Liverpool steamer from my principals, Messrs. N. M. Rothschild & Sons of London for you.

The unsatisfactory turn which the arrangements of the Bonds of the State of Indiana is taking by the reluctance of the Morris Canal Company and the Commissioners of your State to come up to the tenor of the contract, is indeed very mortifying and disagreeable for my house and myself in particular.

According to the tenor of the contract it remained the duty of the State Commissioners to put Messrs. Rothschild & Sons in funds for their advances on the 1st of August last, as they had received in due time, the necessary notice on the part of Messrs. Rothschild of their inability to sell the Bonds in Europe.

Nevertheless and notwithstanding the repeated and urgent demands for remittances, *nothing* has yet been done towards taking the stocks out of the hands of my principals, which occasions them in the present moment a good deal of inconvenience.

Messrs. Rothschild have hitherto done every thing to save the credit of the State of Indiana, and have abstained from any measure which might lead to a depreciation of the character and price of its bonds, *but if not immediate steps are taken to remit them at once* the full amount of their advances, they will see themselves forced to have recourse to a forced public sale of your bonds, at whatever they will fetch, coming back upon the Morris Ca-

nal Company and the Commissioners of your state for any deficiency thereon. I trust, however, that the immediate action on your part will prevent such a course, and expecting your early answer,

I remain most respectfully,

Sir, your obedient servant,

(Signed)

AUGUST BELMONT.

To the Treasurer of the State of Indiana, Indianapolis.

LONDON, 12th Sept. 1839.

Sir—We beg to address this letter to you, as we understand there has been a change in the Department for the administration of the finances of your State, since we last communicated with the Commissioners; and we are desirous of giving information to the proper quarter of the irregularity which has occurred in the transactions we have had in your securities with the Morris Canal and Banking Company, at New York, in order that the necessary attention may be given to the same.

The dividend due last July on \$1,700,000, Indiana sterling 5 per cent bonds made payable with us and amounting to £9,562 10—instead of being covered in advance in the usual way by remittances of bills, was provided for by the above named Institution with a consignment of \$60,000 Indiana State 5 per cent. bonds for sale, which were unavailable for the purpose, as they were not disposable in our market.

We disapproved exceedingly of this exceptionable provision of a dividend by means of another portion of stock, and it was only out of consideration for the credit of the State of Indiana, that we waived our objections and made the payment at the due time of the July dividend. We communicated immediately with the Morris Canal Company, upon the subject and desired them to take the \$60,000 Indiana, and remit us the funds for the dividend, but they have not yet rendered any compliance with, or attention to our wishes. We request you will therefore attend to a proper arrangement being made for this dividend by covering our advances upon it by an immediate remittance of bills.

We have also to recommend particularly to your attention the provision for the next January dividend on the Indiana Sterling Bonds, made payable with us, we shall require to be made to us in the regular way by remittances in bills. We shall be obliged to refuse payment, if we are not in receipt of the funds, and we hope they will be remitted to us in due time, before dividend, in order that no delay or irregularity may occur which would prejudice the credit of your state.

According to the agreement entered into, on behalf of our two houses by Mr. Belmont, with the commissioners of Indiana, the amount of our advances of £110,000, against the consignment of \$700,000, Indiana Sterling 5 per ct. bonds made by them, & afterwards placed into the hands of the Morris Canal Co. We gave the stipulated notice of four months, for our repayment, to this latter institution, and expected it to take place as agreed upon; but we have had no reimbursement made to us, & as the stock is unsaleable in the dull state of our market, we continue being kept out of our funds.

We have expressed ourselves strongly upon the subject to the Morris Canal Co.; but they have done nothing in regard to our repayment, and from

the participation which your department has had in the business, we request their irregular and inconvenient proceeding may have your attention.

We remain, respectfully,

Sir, your Obt. Serv'ts,

[Signed]

N. M. ROTHSCHILD & SONS.

REPORT
OF THE
FUND COMMISSIONERS

RELATIVE TO DR. COE.

DECEMBER 20, 1839.

Read and referred to committee on canal fund, with an order for the printing of 100 copies.

OFFICE OF FUND COMMISSIONER,
Indianapolis, 19th Dec. 1839.

HON. DAVID HILLIS,
President of the Senate,

SIR—The following resolution of the Senate has been referred to the Fund Commissioners:

“Resolved, That the fund commissioners be directed, without unnecessary delay, to inform the Senate whether Isaac Coe has been continued in their employment at the expense of the state since their appointment to office; and if so, how long; and what the nature of his services has been; and what amount of compensation has been allowed him since that time.”

Having recently reported all the facts contemplated in the above resolution, to the House of Representatives, I beg leave respectfully to enclose a printed copy of that report as furnishing all the information desired.

I have the honor to be, very respectfully,

Your obedient servant,

L. H. SCOTT, F. C.

OFFICE OF FUND COMMISSIONERS,
Indianapolis, Dec. 12, 1839.

HON. JAMES G. READ,

Speaker of the House of Representatives:

Sir—In obedience to the resolution of the House of the 10th instant, handed me this morning, "requiring the Fund Commissioners to report to the House at as early a day as possible, what service has been done the State by Dr. Isaac Coe, since their appointment to office, by what authority retained, what time spent, and what amount of money they paid him out of the public funds of the State," I have the honor to submit the following report:

The law of the last session of the Legislature, creating the present board of Fund Commissioners and terminating the services of the last, took effect from and after the first of March last. Sales of bonds to the amount of one million two hundred thousand dollars had been made by the former board, and owing to the delay caused by having to send a part of those bonds to Indiana for the signature of Mr. Smith, it was impossible to close the transaction during the official existence of the old Board. This rendered it necessary for one of the commissioners to remain in New York, not only to take charge of the valuable papers and property of the State, but to sign the coupons of the bonds thus sold, which would require about two weeks. This duty could be performed only by one of the commissioners who had signed the bonds, and had all the commissioners left their post when they ceased to exist as a board, the consequences would have been exceedingly detrimental to the public interest. In the first place the bonds, that had been engraved and signed by the board, would be lost, considerable delay and expense incurred in having new ones prepared, and a payment upon them, which was much wanted, postponed by their non-delivery according to contract. Other bonds, that had been engraved and signed by the old board, by having a member of that board to sign the coupons, could be used and save the expense of procuring new ones; and were thus used in the following sales, viz:—\$400,000 for the sale for the Wabash and Erie canal in April, \$294,000 to the banks for the fourth instalment of the surplus revenue, and \$600,000 for internal improvement made in August last.

As nearly as I can now recollect, Gen. Stapp reached New York on the 1st of April, I received my appointment from the Governor on the 12th, left my residence on the evening of the 14th, and arrived at New York on the 23d of April. When I arrived, Dr. Coe had not completed all the bonds then sold, and from the best of my recollection, did not until about the first of May. After this period, he was retained for the following reasons:

On examination of the books and papers, I found due the state by different institutions for the purchase of her stocks, the large sum of *one million seven hundred and ten thousand dollars*, exclusive of the balance due from the Cohens. For these sales various kinds of securities had been taken, the exact condition and value of which it would be exceedingly difficult for a stranger, to the several transactions, readily to comprehend from the papers themselves. This remark is particularly applicable to the Cohen debt, which Dr. Coe had *alone* compromised and arranged, under authority from the legislature. By reference to the report of the former board upon this subject, it will be seen that many different kinds of property had been taken, all of which required more or less attention. Mortgages had to be looked to, interest paid, rents collected, and a suit in court in Baltimore then pending, growing out of some of the stocks transferred in payment of the debt. I thought no one could so well attend to these matters as him who had the

entire negotiation of them. Another reason which renders the assistance of a clerk for a short time somewhat desirable, was the fact, that General Stapp was under the necessity of returning for a few weeks to Indiana, leaving near a thousand bonds, and seventy thousand coupons to sign for the bank loan. I beg leave further to remark, that I arrived in New York in the early stages of one of the most remarkable pressures upon the commercial and moneyed interests of the country that has marked its history for many years—a large debt due the state which every day rendered more and more difficult to collect, and equally difficult to negotiate additional sales of bonds the banks and individuals to whom the state was indebted calling loudly for their money, and the board without means to meet the demands daily pressing upon them, as the financial agents of the state. Under these circumstances, the board thought themselves fully justified in employing the services of Dr. Coe, or any one else, if by that means there was the slightest prospect of collecting the debts of the state.

Dr. Coe was employed as a clerk of our board from about the first of May, the period at which his duties as a member of the former board were finished, until the 22d of August, for which he was allowed the same compensation that the board themselves received, viz: three dollars per day and expenses.

Respectfully submitted,

L. H. SCOTT, F. C.

REPORT

OF THE

BRANCHES OF STATE BANK OF INDIANA,

SHOWING THEIR CONDITION

ON THE THIRD SATURDAY OF NOVEMBER, 1839.

DECEMBER 20, 1839.

Referred to Committee on State Bank and 200 copies ordered to be printed.

BRANCH STATE BANK INDIANA,
Indianapolis, Dec. 4, 1839.

HON. DAVID HILLIS,
President of the Senate,

SIR—Enclosed is a statement of the condition of the Branch at Indianapolis of the State Bank of Indiana, as it was at 2 o'clock, P. M. on the third Saturday of November, A. D. 1839.

Respectfully yours,

B. F. MORRIS, Cashier.

CONDITION of the Branch Bank at Indianapolis of the State Bank of Indiana, at 2 o'clock, P. M. on the third Saturday of November, 1839.

DR.		CR.	
Notes discounted,	\$266,699.99	Capital stock,	295,300
Bills of Exchange,	128,715	Notes in circulation,	278,442
Suspended Debt,	5,592	Individual deposits	43,264 88
		Treasurer United States,	599 32
Banking house and lot,		Richmond Branch,	2,291 70
Do. State Bank,		Bedford do	73
Furniture and fixtures,		Terre Haute do	1,935 60
Protest,			
State Bank Indiana,	1,484 53	Commissioners sinking fund, surplus	4,228 03
Lawrenceburgh Branch,	483 63	revenue account,	12,014 36
Madison do	1,160 13	Commissioners W. & E. Canal fund,	887 60
New-Albany do	818 63	Permanent school fund	425
Vincennes do	420 77	Surplus fund,†	19,378 14
Michigan City do	524 38	Ohio Life Insurance and Trust Com-	
Lafayette do	483 90	pany, Cincinnati,	294 86
Fort Wayne do	380 66	Lafayette Bank,	786 26
South Bend do	6 59	Commercial Bank,	599 44
		Mechanics' Savings Ist. Columbus, O.	99 50
Commissioners sinking fund		North Western Bank Va.	279 33
Commissioners internal imp'vm't fund,		Bank of Pittsburgh	423
Franklin Bank Cincinnati,	5,029 52	Dayton,	31
City Bank New-York,	636 83	Hamilton,	8 71
Bank of Kentucky,	336 68	Metropolis	8 12
Do Chillicothe,	1 50		
Exchange Bank Pittsburgh,	264 38	Dividends unpaid,	2,499 52
H. H. Goodman & Co.	2,105 00	Profit and loss,	6,406 97
			1,112 34

Bank of Granville,	29 40	
Do. United States,	3,054 38	
Indiana 6 per cent. bonds,		11,457 09
Cash, viz: Notes of other br's St. B.	6,542	39,000
" other State Banks,	9,932	
		16,474 00
Gold,	771 47	
Silver,	81,274 08	
		<u>670,654 22</u>

 670,654 22

Salaries of Officers.

Harvey Bates, President,	500 per annum.
B. F. Morris, Cashier,	1,500 "
Thos. H. Sharpe, Teller,	1,200 "
J. P. Southard, Clerk,	500 "

By order of the board,

B. F. MORRIS, *Cashier.*

State of the Branch at Lawrenceburgh of the State Bank of Indiana, on Saturday Nov. 16, 1839.

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Dr.		Cr.	
Notes discounted,	340,060 51	Capital Stock	282,000 00
Bills of Exchange	111,023 32	Notes in circulation	294,805 00
Suspended debt, on personal security	39,286 18	Post notes payable	12,670 00
	<u>490,370 01</u>	do Time Checks	815 00
Banking house and lots	9,222 96	Individual Deposits	13,485 00
" " State Bank	1,483 38	Treasurer U. States	16,195 95
Furniture and fixtures	720 65	State Bank of Indiana.	47,707 69
Current expense	35 90	Branch at Richmond	147 11
State Bank of Indiana	7 95	Indianapolis	540 38
Branch at Madison	1,187 95	Evansville	62 89
New Albany	12 88	Vincennes	1,355 18
Terre-Haute	191 60	Lafayette	20 24
Fort Wayne	8 00		<u>2,125 80</u>
Commissioners Sinking Fund	380 03	Commissioners Surplus Revenue	48 55
Commissioners Int. Improvement Fund	56,858 75	Surplus Fund	39,326 60
Due from other Banks, viz:		Franklin Bank, Cincinnati	4 44
Ohio Life Insurance and Trust Com-		Commercial Bank, Cincinnati	977 94
pany, Cincinnati	2,078 83	Exchange Bank	435 96
Lafayette Bank, Cincinnati	5,190 38	Bank of Kentucky	1,190 59
Miami Exporting Company, Cin.	2	Louisville Savings Institution	5 00
Morris Canal and Banking Com.	329 34	Gerard's Bank, Philadelphia	348 84
Urbana Banking	540 00	Bank of Pittsburgh	554 05
H. H. Goodman & co.	30 80	Covington branch, Ky.	451 00
Delafield & Burnet	359 89	Bank United States, Philadelphia	12 59
Bank of America, New York	1,540 92	Philadelphia Bank	1,161 37
	<u>10,072 16</u>	Merchants' Bank, New Orleans	3 50

Remittance to Cincinnati	1,363 80	Quincy Branch State Bank, Ill.	6 37
Remittance Northern paper	15,000 00	Farmers' & Mech. Bk. Steubenville	400 30
Indiana state bonds	52,000 00	Exchange Bank, Pittsburgh	1 38
Suspense acc't (remittance East)	5,000 00	Bank of Virginia at Charleston	3 82
		American Exchange Bank, N. York	4,665 03
			<u>10,222 18</u>
Cert. depst. Urbana Bank. Com.	30,000 00	U. S. Pension Agent in Indiana	133 18
Cash, viz: Specie funds	3,000 00	Div. Surplus fund per surp. revenue	11 92
Checks	431 00	Protest account	10 62
" other State Banks,	10,907 00	Remittance North (our paper)	15,000 00
Gold and Silver	50,800 21	Dividends unclaimed,	194 72
		Discount	1,101 15
		Exchange	245 52
		Interest	12 74
		Profit and Loss	16,427 66
			<u>17,787 07</u>
			<u>739,054 28</u>

D. S. Major, President; Salary \$400 per annum
 E. D. John, Cashier, 1,300 "
 C. G. W. Comegys, Teller, 1,000 "
 Wm. B. Thurston, Bookkeeper, 400 "

E. D. JOHN, *Cashier.*
 per C. G. W. COMEGYS.

To the Senate of the State of Indiana:

I beg leave to present to you herewith, in accordance with the requisition in the 65th section of the Bank charter, on behalf, and by direction of the President and Directors of the Branch at Richmond of the State Bank of Indiana, a statement of the condition of this Branch on seventh day at two o'clock in the afternoon, eleventh month, 16th, 1839; together with the names of the officers, and the compensation to each, no rent being paid by this Branch.

All of which is respectfully submitted.

ELIJAH COFFIN, *Cashier.*

BRANCH BANK, RICHMOND, }
11th month, 18th, 1839. }

Dr. State of the Branch at Richmond of the State Bank of Indiana, on 16th of 11th month, 1839.

Cr.

Notes discounted	\$267,531 70	Capital stock	\$211,000 00
Bills of exchange	6,700 00	Discounts and interest	637 70
Suspended debt on personal security	15,554 62	Exchange and premiums	38 56
			<hr/>
Banking house at Richmond	3,260 90	School fund	675 26
do for State Bank	1,483 33	Surplus fund	312 50
Furniture and fixtures	238 04	Unclaimed dividends	15,853 71
		Bank of North America, Philadelphia	4,189 67
Protest account		Mechanic's Bank, Baltimore	
Branch at Indianapolis	6,956 68	Franklin Bank Cincinnati	66 62
Madison	2,233 48	Ohio Life & Trust Co. do	827 25
New Albany	67 00	Dayton Bank	580 00
Vincennes	263 25	Union Bank of Maryland	1,199 55
Terre Haute	1,499 43		1,549 17
Lafayette	5,053 85		<hr/>
Fort Wayne	755 21	Commissioners of Sinking Fund	4,480 48
		Notes in circulation	5,200 33
Merchants' Bank, New York	635 62		<hr/>
Commercial Bank, Cincinnati	1,550 79		228,940 00
Lafayette Bank, do	4,105 50		
Bank of Hamilton	7 87		
Remittance to Indianapolis			
Indiana Fund Commissioners			
Indiana state bonds			
Cash, viz:—Notes of other branches	13,278 00		
do other banks	11,500 00		
Gold	4,224 15		

Silver and copper	96,492 54		
	<hr/>	125,494 69	Individual deposits
		<hr/>	
		496,085 56	

ELIJAH COFFIN, *Cashier*,

OFFICERS.

A. C. Blanchard, President, salary \$500 the year.
 Elijah Coffin, Cashier, salary \$1,500 the year, including clerk hire.
 No rents paid.

State of the Branch at Madison of the State Bank of Indiana, on Saturday, 16th November, 1839, at 2 o'clock, P. M.

Dr.		Cr.	
Bills discounted	294,672 17	Capital stock	318,150 00
Bills of exchange	93,348 30	Circulation	229,085 00
Suspended debt, on personal security	36,367 98	Profit and loss	2,696 08
		Surplus Fund	26,788 47
²⁴ Banking house		Permanent Fund	427 50
Furniture and fixtures		Individual Depositors	43,865 57
Banking house State Bank Indiana		Treasurer of the United States	1,20 00
Banking house State Bank Ia.		Special Deposit use Treasurer U. S.	11 66
Cash—viz: Other State Banks	11,534 00	Commissioners, Sinking Fund	5,059 91
Other State Banks	30,512 00	Com'rs, Sinking Fund from sur. rev.	2,357 50
Silver	83,788 80	Individual Stockholders (dividend)	6,056 09
Gold	5,808 04	Branch at Indianapolis	1,286 46
		Richmond	953 02
Branch at Lawrenceburgh	2 94	Evansville	351 50
New Albany	125 76	Bedford	1,442 67
Vincennes	67 57	Terre Haute	30 60
South Bend	4,049 20	Lafayette	823 22
Michigan City	7,987 53	Fort Wayne	2,400 51
Lafayette Bank, Cincinnati	7,727 87	Commercial Bank Cincinnati	5,703 79
M. & M. do Wheeling	286 16	Franklin do do	106 77
Exchange do Pittsburgh	7 88	Commercial do Sciota	71
State Bank of Illinois, Springfield	15 26	Farmer's & Mechanics' B. Steubenv'l	1,604 64
State Bank Indiana	425 00	North Western Bank Virginia	1,490 66
Citizen's do Baltimore	2 50	M. & M. do Pittsburgh	664 97
Mechanics' Bank Philadelphia	4,114 64	Merchants' do Baltimore	603 76
Northern Bank Ky. Lexington	11 92	Western do Baltimore	450 00
do Pittsburgh	2 73	Union do Maryland	531 15
Com'l & Railroad Bank Vicksburgh	10,351 63	Merchants' do New York	1,236 07

Commercial Bank New Orleans

1,300 00

Fund Commissioners of Indiana

Indiana six per cents

36,478 59	Northern	do Ky. at Louisville	976 59
34,974 88	Bank of Ohio, Life Insur. & Trust Co.		2,443 39
38,000 00	do Virginia, Charleston		247 01
	do Missouri, St. Louis		248 59
	do Louisville		5,713 26
	do Kentucky		957 00
	do United States, Pittsburgh		40 82
	Louisville Savings Institution		7,127 57
	Morris Canal & Banking Co.		40 00
	Louisville Gas and Water Co.		146 03
	Mechanics' & Traders' Bk. Cincinnati		127 70
	Exchange Bank Cincinnati		150 25
	Shoe & Leather Dealers' Bk. Boston		1,751 00
	State Bank of Illinois, Chicago		5 00

40,604 22

\$676,352 00

\$676,352 00

JOHN SERING, *Cashier.*

We, the undersigned President and Cashier of the Branch of the State Bank of Indiana, New Albany, do hereby certify, that the above exhibits the true state and condition of this Branch Bank, as the same was found on the third Saturday of November, 1839, at 2 o'clock, P. M. of said day. The officers of this Bank are, a President with a salary of one thousand dollars per annum, a Cashier with a salary of fifteen hundred dollars per annum, a first Clerk with a salary of eight hundred dollars per annum, and a second Clerk with a salary of six hundred and fifty dollars per annum, and the payments of the office of Notary Public.

M. C. FITCH, *President.*

J. R. SHIELDS, *Cashier.*

EVANSVILLE BRANCH BANK,
16th November, 1839.

In compliance with the 65th section of the charter of the State Bank of Indiana, the board of directors of this Branch of the said State Bank, now beg leave to report to the General Assembly of Indiana, that the within is a statement of the condition of the said Branch, as the same was found on this the third Saturday of November, 1839, and contains all the items required to be reported upon by the aforesaid section of the charter, with the exception of the 6th and 7th, which are as follows:

6th. The following is the number of officers and servants in this Branch, and the amount of compensation allowed to each, viz.

JOHN MITCHELL, President—no salary.

JOHN DOUGLASS, Cashier, \$1200 per annum,

HORACE DUNHAM, Clerk, \$600 per annum.

7th. The amount of rent paid for the present Banking Office is \$150 per annum, which will cease as soon as the new Banking House can be taken possession of, which is very nearly completed.

All which is respectfully submitted,

JOHN MITCHELL, Pres't,
JOHN DOUGLASS, Cash'r.

STATE of the Branch at Evansville, of the State Bank of Indiana, on the 16th November, 1839.

DR.		CR.
Bills discounted,	187,718 84	190,600 00
Domestic bills of exchange,	33,644 89	
Banking house,	23,631 52	705 11
State banking house,	1,483 33	8,952 63
Other real estate,	542 18	
Furniture and fixtures,	293 21	
Current expenses,		12,760 92
Branch at Lawrenceburgh,		
Vincennes,	62 89	410 83
Terre Haute,	1,140 73	342 58
Lafayette,	5,951 16	594 70
Michigan City,	1,034 27	1 75
	460 28	2
Bank of Kentucky,	428 87	2,147 91
Ohio Life Ins. & Tr. Co. Cincinnati,	72 68	1,124 33
N. O. Canal and Banking Company,	151 96	76 79
Bank of Missouri,	676 05	225 65
Commissioner Bank New-Orleans,	26 59	1,762 46
Canal fund commissioners,	93,854 34	3,262 48
State Bonds,	19,000 00	69 90
Other branches of S. Bank Indiana,	8,375 00	
Other State Banks,	4,330 00	322 84
Gold,	11,003 73	432 62
		500 00
		8 00
		33,214 11
		9,932 98

Silver.	53,243 60	Circulation,	189,610 00	222,824 11
	<hr/>		<hr/>	<hr/>
	76,952 33			\$447,127 62
	<hr/>			<hr/>
	\$447,127 62			

JOHN DOUGLASS, Cashier.

Gold	19,040 93	Discount	419 58
Silver	68,755 54	Profit and Loss	67 08
	<hr/>		<hr/>
	87,796 47		486 66
	<hr/>		<hr/>
	121,724 47		
	<hr/>		
	\$454,471 39		\$454,471 39

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Officers and their Compensation.

John Ross, Cashier, \$1,200 per annum.
 Geo. W. Rathbone, Clerk, \$600 "

For the Board of Directors,

O. S. BONNER, President.

NOTE.—This consists of a lot originally purchased to build a Banking House upon—since the determination to build elsewhere the lot has been regularly offered for sale, but not disposed of, in consequence of no bid having been made for it equal to the cost.

State of the Branch at Bedford of the State Bank of Indiana, on the 16th November, 1839.

Dr.	Cr.	
	Capital Stock paid in	
Bills Discounted	160,680 33	154,309 00
Bills of Exchange	68,858 47	1,128 55
Suspended Debt, on Personal Security	229,538 80	138 90
“ on Bills	17,857 06	422 00
“ on Bonds and Mort's	10,373 00	
	3,091 50	1,686 45
Banking House of State Bank	31,321 56	5,445 81
Banking House of this Branch	1,483 33	1,068 30
Furniture and Fixtures	1,554 50	10,955 47
	139 45	217 88
	3,177 28	3,148 97
From the Branch at Indianapolis		20,836 43
Madison	1,600 73	3 00
New Albany	1,191 10	
Evansville	20,546 50	3 25
Vincennes	594 70	7 00
Vincennes	529 60	
Terre-Haute	569 98	10 25
Lafayette	1,885 91	
Fort Wayne	80 00	
Michigan City	550 00	
	27,548 52	
Due from other Banks, viz:		
From the Bank of Kentucky, Louisville,	4,032 55	212,358 00
“ “ Louisville	296 77	10,461 34
“ Louisville Savings Institution	10,144 11	
“ Com. Bank of Cincinnati	4,727 77	222,822 34
	19,201 20	

" Pension Agent	31 77	
" Protest	41 07	72 84
<hr/>		
Cash, viz:		
Notes of other Branches of the State		
Bank of Indiana	2,098 00	
Notes of other State Banks	3,483 00	
" United States Bank	105 00	
Checks on other Banks	604 05	
Silver	55,615 79	
Gold	26,886 43	
Cents	6 00	
	<hr/>	
	88,798 27	
	<hr/>	
	\$399,658 47	

399,658 47

Hon. DAVID HILLIS, *President of the Senate:*

I herewith transmit you a statement exhibiting the condition of this Institution on the 16th instant, as required by the 65th section of the charter of the State Bank of Indiana.

D. R. DUNIHUE, *Cashier.*

Nov. 25, 1839.

Treasury Warrants	35,570 00	
Samuel Merrill, Pension Agent	6 35	
Commissioners of Sinking Fund	822 02	
Indiana Fund Commissioners	45,355 19	
Post checks on New York	10,500 00	
<i>Cash, viz:</i>		
State Bank of Indiana	14,324 00	
Notes on Banks of other States	30,016 00	
<i>Specie:</i> Silver	9,398 21	
Gold	41,274 12	
	<u>95,012 33</u>	
	\$576,259 36	576,259 36

Officers and Salaries.

Demas Deming, President,	\$1,000 00
Aaron B. Fontaine, Cashier,	1,200 00
Nathaniel Preston, Clerk	800 00

A. B. FONTAINE, *Cashier.*
D. DEMING, *President.*

Notes discounted	356,755 03	Capital stock paid in	\$245,600
Domestic bills of exchange	10,500 00	Discount	471 33
		Interest	7 78
Banking house	12,510 45		
State Bank house	1,034 63	Comm'r's sinking fund on acct. sur. revenue	479 11
		Unclaimed dividends	280 72
Current expenses	40 38	Profit and loss	400 81
Protest account	156 84	Surplus fund	13,831 59
			16,888 91
Due from other branches and banks—		Due to other branches and banks—	
Branch at South Bend	267 09	Branch at Indianapolis	726 78
Michigan city	679 75	Lawrenceburgh	665 02
		Richmond	404 75
		Madison	1,510 66
Fund Commissioners		New Albany	948 54
Bank of New York, N. Y.	1 50	Evansville	33 52
Louisville Savings Institution, Ky.	4 30	Vincennes	1,332 95
Bank of Circleville, Ohio	3 06	Bedford	1,810 88
Bank stock		Terre Haute	442 42
Bank United States	150 00	Fort Wayne	1,148 03
N. American Trust & Banking Co.	1 50		
Bank of Illinois, Shawneetown	125 24	Farmer's & Mechanic's B'k Steubenville	88 00
		Morris Canal & Banking Company	2,215 29
Furniture account		Ohio Life Insurance & Trust Co.	196 84
State bonds		Commercial Bank, Cincinnati	1,729 43
Cash, viz:—		Bank of Hamilton, Ohio	1,401 92
Other Branches of State Bank, Indiana	2,705 00	Seventh Ward Bank, New York	508 68
Other State Banks	13,095 00	Bank of St. Josephs, Michigan	2 06
Silver	58,920 55		
			6,142 22

Gold	202 30	Notes issued	350,000 00
	<u>74,922 85</u>	on hand	24,330 00
		Individual deposits	<u>325,670 00</u>
	<u>655,417 56</u>		37,100 65
			<u>655,417 56</u>

R. MULLIKIN, Cashier.

To the Hon. the President of the Senate of the State of Indiana the following is respectfully submitted, in conformity with the 65th section of the Charter of the State Bank of Indiana, as the condition of its Branch at Fort Wayne, on Saturday the 16th day of November 1839.

Dr.		Cr.
Notes Discounted	260,254 65	160,000 00
Bills of Exchange and Notes purchased	23,295 74	9,808 04
Suspended Debt	18,959 98	19,414 98
	<hr/>	822 16
Banking House and Lots	302,510 37	3,452 24
" " of State Bank	15,523 05	1,169 47
Furniture and Fixtures	1,483 33	30,387 56
Protest	643 38	304,621 00
Due from Com'rs of Canal Fund	23 00	
" " Other Branches of State Bank	44,902 69	
" " Banks of other States	3,287 58	
Remittances to N. York and Indianapolis	5,286 94	
Cash on hand, viz:	10,990 55	
Bills of other branches	16,225 00	
" of State Banks	3,980 00	
	<hr/>	20,205 00
Silver	109,694 73	
Gold	15,124 83	
	<hr/>	124,819 56
		<hr/>
		\$529,675 45

Officers of Branch and their Salaries.

President, Allen Hamilton,
 Cashier, H. M'Culloch, \$1,200 per annum,
 Teller, M. W. Hubbell, 850 "

"This Branch owns no other real estate than its Banking House, the lots upon which it has been erected and which are "required for its accommodation in the convenient transaction of its business," and its interest in the Banking House of the State Bank.

For the Board of Directors,
 ALLEN HAMILTON, Prest.
 H. M'CULLOCH, Cashier.

STATEMENT of the Branch at Michigan City of the State Bank of Indiana, on Friday 2 o'clock, P. M. Nov. 16, 1839.

DR.			CR.
Discounted notes, bills of exchange,	103,595 79	Capital stock paid in by the state, individuals,	45,000 00
Suspended debt on personal security,	24,945 85		40,000 00
Branch banking house, State house, Furniture and fixtures,	1,001 00 1,483 33 580 57	Profit and Loss,	5,812 49
		Discount received since Oct. 31st, Exchange,	235 24 72 98
Current expenses, Commissioners sinking fund, Protest account,	14 75 8 00 9 25	Indianapolis Branch Bank, Lawrenceburgh Madison Terre Haute South Bend	2,142 63 15,000 00 10,377 82 925 22 4,799 10
Fort Wayne Branch Bank, City Bank New York, Seneca County Bank, Branch of Illinois S. B. at Chicago,	106 65 8 79 87 47		33,245 59
Cash:		City Bank Buffalo, Bank of Hamilton, Bank of Norwalk, Branch F. & M. B'k Mich. at St. J.	279 10 2,000 00 900 00 54 00
Silver and Gold, Notes of other branches S. B. Ia. State Banks, Remittance to Indianapolis,	86,867 50 44,529 00 6,079 00 3,173 00	Circulation, Individual deposits,	169,800 00 24,777 32
			3,233 10
			194,577 32
			<u>\$322,176 72</u>

WILLIAM CLARK, President, salary,
D. G. COLLAMER, Cashier,
SAM'L. GORDON, Jr. Teller and Clerk,

WILLIAM CLARK, President.
D. G. COLLAMER, Cashier.

Dr.		Cr.	
Bills Discounted,	130,385 00	Capital Stock	86,171 63
do of Exchange	37,410 00	Discount	161 03
Suspended Debt	4,320 00	Premium	93 74
		Exchange	21 50
Banking House	1,582 92		276 27
State Banking House	1,483 33	Profit and Loss	5,019 91
Furniture	431 59	Surplus Fund	3,289 81
Current Expense	13 25	<i>Due to other Branches.</i>	
Protest	14 75	Branch at Indianapolis	384 23
		do Terre Haute	64 81
<i>Due from other Branches.</i>		do Madison	3,529 11
Branch at Lafayette	83 16	do Evansville,	73 05
do Michigan City.	4,799 42	do Fort Wayne	1,914 23
			5,965 43
<i>Due from other Banks.</i>		<i>Due to other Banks.</i>	
Bank of Michigan,	118 00	Br. of Farmers' & Mech. Bk. St. Joseph	740 00
do Buffalo	3 56	Seneca County Bank	75
Girard Bank, Philadelphia	46 60		
City Bank, New York	266 37	Circulation	740 75
			169,221 00
Sinking Fund Commissioners	1 50		
Remittance	1,794 00		
Cash, viz:—Other Branch Paper	20,234 00		
do Bank Paper	8,973 50		
Specie, viz:—Silver	83,088 40		

Gold	2,162 90	Individual depositors	26,527 46
	<hr/>	85,251 30	
		<hr/>	
		\$297,212 25	\$297,212 25

Officers and Pay.

John Grant, Cashier pro tem.,	no salary fixed.
Same Teller,	\$700 per annum & house rent.
John Egbert, President,	no salary:
Jonathan A. Liston, Bank Attorney,	receives fees.
House rent.	\$275

JOHN GRANT, Cashier *pro tem.*

REPORT

OF THE

MINORITY OF THE COMMITTEE

ON

THE CANAL FUND,

IN RELATION TO A BILL

AUTHORIZING THE ISSUING OF STATE SCRIP.

JANUARY 3, 1840.100 copies ordered to be printed.

The undersigned, of the minority of the committee upon the Canal Fund, in relation to a bill authorizing the issuing of scrip, respectfully present the following *Counter Report*, to so much of said bill as authorizes the Wabash and Erie Canal Lands to be appropriated to OTHER PURPOSES, than the construction of said canal, without setting apart enough of the proceeds of said lands to finish that canal.

By referring to the act of Congress, approved 2d March, 1827, granting these lands to the State of Indiana, it most positively declares, that the consideration of the grant, "is for the purpose of aiding said state in opening a canal to connect at navigable points the waters of the Wabash, and those of Lake Erie," and further recites, that "the said lands shall be subject to the disposal of the Legislature of said State, for the purpose aforesaid, and *no other*."

By an act of the General Assembly of the State of Indiana, approved, January 5th, 1828, the above grant of land was accepted for the specific purpose set forth in the grant; and thus the faith of the State was irrevocably pledged for that specific disposition of their proceeds. In all the subsequent legislation upon this subject, in raising money for this canal, these lands are pledged for its repayment, and the faith of the State pledged repeatedly to apply the proceeds of them for the purpose of the completion of this canal, and not otherwise. In the internal improvement bill of 1836, a loan of \$500,000 is authorized to be made, and these lands pledged to *finish* this canal.

The very condition of the grant limits the power of the Legislature to the disposal of these lands for the aforesaid purpose and NO OTHER—then until the canal is finished or provided for out of the proceeds of these lands, certainly these lands cannot be disposed of to pay debts created under the system of 1836, or for any other purpose, without a gross and palpable violation of the pledged and plighted honor of the state—not merely to her own citizens, but to the whole Union! The work being then considered of a National character, and to attempt to defeat such an object, to subserve local, or even minor state interests, cannot be viewed in any other light by the undersigned, than as disreputable and disgraceful to the character of the state. The proceeds of the lands will pay three-fourths of the cost of the whole canal, and the remaining fourth will be paid by the first five or six years tolls and returns of the canal, leaving it an eternal source of profit to the state.

With this view of the subject the undersigned respectfully suggest the following amendment to the bill referred to, to-wit:

“That a sufficient amount of said scrip, that shall be first redeemed by the proceeds of said lands or in the sale thereof to be appropriated and applied to the speedy completion of the Wabash and Erie Canal,”

With this provision the plighted faith of the state would be preserved untarnished, and a successful mode of funding those lands adopted;—and the future payments to be made on the loans on account of this canal could absorb the amount thus funded over and above the present amount set apart for the final completion of this canal, and thus ultimately fulfil in good faith the conditions of the grant and the oft-repeated pledges of the state.

All which is respectfully submitted,

W. G. EWING,
JAS. H. CRAVENS.

REPORT

FROM

THE COMMITTEE

ON

THE CANAL FUND,

RELATIVE TO

STATE BONDS.

JANUARY 4, 1840.

500 copies ordered to be printed.

Mr. Kennedy from the committee on the Canal Fund, made the following report:

Mr. PRESIDENT—

The committee on the Canal Fund, to whom was referred a resolution of the Senate, directing an inquiry into the propriety of sending a Special Agent to the eastern cities, to look after and collect the moneys due the state from the Morris Canal & Banking Company and other persons and institutions who are in arrears to the state for bonds sold to them by our Fund Commissioners, and an inquiry into the propriety of authorising an

issue of state scrip, for the payment of the balances due the contractors for work done upon the public works; together with sundry other inquiries mentioned in said resolution, have had the same under their consideration.

In pursuing the difficult inquiries directed by the resolution, the committee directed a note to our Fund Commissioners, requesting a statement of the amount of bonds sold to certain institutions, the standing of said institutions at the time of such sales, the amount of money now due the state from them, &c. &c.

In answer to said note, the committee received a lengthy communication from L. H. Scott, one of the Fund Commissioners, which communication, together with a statement of the condition of a part of our claims, which accompanied the same is by order of the committee herewith reported to the Senate, marked A.

The committee after a full consideration of all the matters submitted to them by the said resolution, have further directed me to report to the Senate the two following bills: one providing for appointment of an agent as proposed by the first branch of the resolution; the other providing for the issue of an amount of state scrip equal to the amount of the indebtedness of the state to contractors, for the immediate relief of the state creditors.

The committee ask to be discharged from the further consideration of said resolution.

OFFICE FUND COMMISSIONERS,
Indianapolis, 19th Dec. 1838.

ANDREW KENNEDY, Esq.,
Chairman Committee on Canal Fund:

SIR—In reply to the interrogatories contained in the communication from your committee, of the 17th instant, I beg leave to submit the enclosed statement, together with the following remarks: Presuming the committee have no wish for information in regard to the past or present value of the stock of those institutions, which *now* owe us nothing, I shall confine my remarks to others that are yet indebted for purchases of stock. The committee are aware that any report upon the value of stocks must necessarily be, to a great extent, conjectural. In New York, the great stock market of the Union, they are subject to daily fluctuations,—the arrival of a packet from Europe—the failure of a merchant or banker—the success or defeat of a political party—the complexion of a Presidential message—the prospect of war in Europe—or even a paragraph in a newspaper, have each in their turn within the last few years, materially changed the quotations of the most permanent stocks in the Union. I have marked in the margin of the enclosed table the value of the stocks whenever I have been able to find any data, but in most instances, I have not the slightest guide except a very indistinct recollection, upon which to found a report upon the subject. The condition of our own stocks may perhaps afford some illustration of the difficulty of arriving at *even the present* value of public securities. The bonds of a sovereign state

are regarded by all civilized nations as the highest grade of stocks. If called upon here at home to quote the value of Indiana bonds, supposing them to be six per cents, we would say unhesitatingly, *par*—nothing short of *par*—when at the same time the same stocks may from the scarcity of money, or some alarm about the payment of interest, be put down at the Stock Exchange in London at 75 or at New York, to avoid a worse sacrifice, perhaps forced off at 50 cents to the dollar.

In regard to the second branch of inquiry of the committee, as to the amount, &c. of state bonds held by the Bank, I remark—That under the provisions of the act of the Legislature, approved Feb. 17, 1838, the Bank advanced to the State of Indiana the sum of \$286,751 48—it being the amount of the 4th instalment of the surplus revenue due the state from the General Government, and withheld by the latter. The amount thus advanced by the Bank, through her Branches, not having been refunded by the state in consequence of her not receiving it from the General Government, the Fund Commissioners under the provision of the act aforesaid, issued the bonds of the state bearing an interest of six per cent. making the whole to amount, including interest, to \$294,000—which bonds the Branches still hold. The benefit the state receives by the arrangement is, that she is realizing ten per cent. upon the whole amount, it having been invested in bank stock, and dividing that much dividend, out of which deduct the interest upon the bonds which the Bank at her own trouble and risk attends to the payment of—the state thus clearing four per cent. out of the labor and good management of the Branches and really neither doing or risking nothing.

I know of no bonds having been hypothecated by the Bank. They were issued at New York and deposited wherever the Branches entitled to them directed.

It is impossible to predict when our securities will be again in demand, as it depends upon causes impossible to foresee or control. If other States, as well as our own, make no efforts for a year or two to force their securities into market—if all promptly and in good faith meet their interest payments and money should become as it *will* in all probability soon become, more plenty, both in this country and in Europe—and if we avoid committing any acts of imprudence calculated to injure the credit and standing of the State abroad, I am strongly inclined to the opinion that we shall soon see our securities again in demand.

In the compromise of the claim against the Cohens & Josephs certain real estate was taken, consisting of several building lots, upon which is erected a *sperm oil* and candle manufactory (erroneously though commonly denominated a "*soap factory*," as neither soap or *tallow* candles have ever been manufactured there. This property, in easy and prosperous times, must be very valuable. It is situated very nearly the centre of the city of Brooklyn, on the East River. The property is now under a lease to the Staten Island Whaling Company, at \$5,000 per annum, which have been promptly paid. The State has also upwards of 500 building lots in the 12th ward of the city of New York. I am entirely unable to give any opinion as to their present value, but all agree in the opinion that if the State continues to hold them a few years, until the city in its spreading improvements reaches them, that they will pay her back with good interest for all she has expended upon them. In addition to these, I understand, there is a small tract of land ly-

ing near or adjoining the city of Poughkeepsie, but never having seen it I can say nothing as to its value.

On the whole, in regard to the property the State holds in and about New York, my opinion, derived from conversations with gentlemen in whose judgment I had great confidence, is about the following: that if the State holds on to this property or the most of it, until the time the bonds arrive at maturity, it will two or three times overpay all it has cost.

Several persons or institutions that purchased our bonds and failed to make their payments at the time stipulated, have in that sense "violated their contracts with the State." The reasons alleged have been most generally the unavailability of the stocks, and the severe and almost unparalleled pressure upon the money market during the past year. It is my opinion that generally the money may have been made by suit, although in one or more instances I should regard it as much the most prudent course to avoid coercion. In all cases, however, in which I have had any knowledge or agency, assurances have been given, and I have no doubt at the time, in good faith, that the money should be paid without suit as soon as it could be collected with. When possible to avoid it, it is exceedingly desirable for states as well as individuals to avoid litigation. The 5 per cent. fees to an attorney constitutes the smallest objection. In most cases better arrangements can be made without suit than with, and more particularly when the parties manifest a disposition to do all in their power.

A law suit cannot be carried on in such a city as New York without creating rather an unenviable notoriety, not very well calculated to enhance the credit of the State. I should answer generally that suits have not been instituted, because it was hoped and expected that the money could be as soon collected without. Among ourselves at the present moment, a man may be worth \$30,000 and if suddenly called upon to raise \$10,000, the whole 30,000 might be sacrificed to pay it. Many men in every community that are perfectly responsible and safe if reasonable indulgence is extended to them, may be driven to insolvency and lose all by pursuing the opposite course.

In reply to an interrogatory which I had inadvertently passed over, I would remark that the State is bound to pay interest on all bonds she issues. The enclosed table shows to whom it is payable.

Very respectfully,

Your obedient servant,

L. H. SCOTT, F. C.

A STATEMENT of the amount of State Bonds sold for Internal Improvement Purposes—to whom sold—Interest, where payable—amount due on sale, with remarks respecting the value of the Stocks, of the Institutions indebted to the State on account of such sales.

To whom sold.	Amount sold.	Amount due on sale.	Interest, where payable.	REMARKS.
J. D. Beers & Co. -	\$100,000		Merchants' Bank, N. Y.	This am't includes the \$380,000 heretofore reported, upon which other securities were taken—value of stock not recollected, but it is thought to have run down very low in consequence of their expenditure of \$3,000,000 upon their canal, and their holding a large amount of unavailable stocks. Value of stock not known Value of stock not known Value of stock not known
Prime, Ward & King -	340,000		Same	
Secretary of War -	68,000		Washington city	
J. J. Cohens Jr. & Br. -	700,000		Merchants' Bank, N. Y.	
Thomas Biddle & Co., and } -	589,000		Morris Canal & B. Co.	
M. C. & B. Company -	2,000,000		London	
Morris Canal & Banking Company -	3,212,000	1,127,414 46	Morris Canal & B. Co.	
Same	30 000		Same	
Christmas & Co. -	100,000	58,661 00	Same	
Staten Island Whaling Company -	300,000	240,000 00	Same	
Bank of Western New York -	100,000	26,000 00	Same	
Erie County Bank -	100,000	95,000 00	Same	
Detroit and Pontiac R. Road Comp'y -	20,000		Same	
Binghamton Bank -				
	7,659,000	1,547,075 46		

December 19, 1839.

L. H. SCOTT, F. C.

REPORT

OF THE

FUND COMMISSIONERS,

SHEWING THE

GENERAL INCIDENTAL EXPENSES

OF THE

BOARD OF INTERNAL IMPROVEMENT.

JANUARY 9, 1840.

Read and referred to committee on Canal Fund, and 500 copies ordered to be printed.

OFFICE FUND COMMISSIONERS,
Indianapolis, Jan. 8, 1840.

HON. DAVID HILLIS,
President of the Senate,

SIR—In compliance with a resolution of the Senate, I have the honor herewith to transmit Abstract of Incidental Expenses, &c. of the Board of Internal Improvement.

With great respect,
Your obedient servant,
L. H. SCOTT, F. C.

ABSTRACT of payments made on account of General Incidental Expenses of the Board of Internal Improvement from 1st March 1836 to, 30th of November, 1838, inclusive.

Date of payment	To whom and for what paid.	Amount of payment.
1836		
March 26	T. G. R. Noel, for removing furniture of Engineer department	\$4 00
29	B. Brown, for map	4 00
June 1	J. F. Ramsey, desk for office	30 00
1	J. L. Williams, salary from 1st March 3 months	625 00
6	N. & J. White, N. Y. stationary and chaiges	241 06
July 15	J. H. Williams, draughtsman, salary and expenses	35 69
Sept. 1	J. L. Williams, salary from 1st June 3 months	625 00
Oct. 7	Jas. Morrison, salary 6 months	400 00
11	Jno. Jenison, expenses of trip to Fort Wayne	8 00
11	John Cain, postage	10 72
11	J. & J. Sulgrove, case for maps	1 25
Nov. 26	Bolton & Livingston, printing	28 37½
26	Morrison & Tomlinson, stationery	24 50
30	J. L. Williams, salary in part since 1st Sept.	400 00
30	H. M. Pettit, salary from 1st Sept. 3 months	1,000 00
30	W. J. Proudfoot, draughtsman, salary 3 months	78 00
30	J. L. Williams, balance of q'rs salary to this date	475 00
30	Same, conting't expenses connected with his duties	198 50
30	A. A. Von Smith, travel'g exp's, taking plans, &c.	212 56
Dec. 28	James Morrison, salary qr. ending 7th December	233 33
31	A. A. Von Smith, salary one month as draftsman	45 00
31	Same, travelling expenses	24 50
1837		
Jan. 4	John Cain, postage	8 95
4	James Blake, office rent 1 year	50 00
11	F. T. Luse, office furniture	6 00
26	R. Whitcomb, engineer's instruments	65 00
26	A. A. Von Smith, servi's and trav'l'g exp's 2 mo's	143 00
26	Bolton & Livingston, printing notices of 1st letting	26 50
Feb. 4	Douglass & Noel, do do	25 00
8	M. Henkle do do	12 00
14	Richard Clark, services	7 50
28	Mifflin & Parry, advertising in Philadelphia	65 00
28	J. L. Williams, salary and expenses qr to this day	875 00
28	W. J. Proudfoot salary as draughtsman 1 quarter	105 00
March 1	J. Banks, advertising in New York	75 00
	J. Morrison Sec'y salary qr ending this day	250 00
7	Alex. Magarey, engineer's instruments	663 70
7	Benj. Pike and Son, do	240 00
March 8	E. & G. W. Blunt, engineer's instruments	512 00
11	H. M. Pettit, salary as principal engineer 1 quarter	1,000 00
23	J. Coryell, N. Y. printing and dist'g 500 hand bills	16 00
Carried forward		8,850 18½

		Brought forward	8,850 13½
	23	Jonathan Young, Phil'a, do do 1000 do	6 75
	23	J. M. Hughes, engineer's instruments	140 00
	23	L. S. Coryell, do	120 00
April	11	John Cain, postage	11 59½
	21	Bazil Brown, boarding draughtsman	70 00
	22	M. McInstock, transportation of instruments	5 00
	30	John Cain, postage	14 71
May	9	S. Arbuckle, transportation of instruments	6 00
June	13	J. G. Clendenin, engineer's instruments	123 00
May	10	Charles Lewis, salary as draftsman,	99 00
	13	Walldbridge, transportation of instruments	2 50
	15	Same do do	1 00
	29	King & Livingston, paddle gates for lock, should have been charged to construction	2,464 00
	31	W. P. Proudfoot, 1 quarter's salary as draughtsman	135 00
	31	W. Lee, furniture for engineer's office	20 75
	31	Bazil Brown, boarding draughtsman	19 25
	31	J. L. Williams, 1 quarter's salary as engineer	875 00
June	7	James Morrison do as secretary	250 00
	13	H. M. Pettit do as engineer	1,000 00
	13	L. Hommodieu, advertising in Cincinnati	42 00
July	13	Jesse Frazier, wood—5 cords	7 50
August	18	H. M. Pettitt, instruments and postage	415 12½
	31	J. L. Williams, 1 quarter's salary	875 00
	31	M. W. Lee, furniture for office	12 50
	31	W. B. D. Maxwell, clerk's hire	7 00
Sept.	13	James Morrison, 1 quarter's salary as secretary	250 00
	22	H. M. Pettit, salary from 1st June to 6th August	305 62
Oct.	2	John Cain, postage	9 61
	30	J. L. Williams, instruments \$238 37, blank and receipt books \$212 31	450 68
	30	Same in part for 1 quarter's salary	750 00
Nov.	30	Brown & Morrison, stationery,	60 08
	30	James Morrison, printing—also stationery purchased in New-York	149 16½
July	11	Unthank & Sulgrove, strap for level	1 00
	11	John Cain, postage	11 00
August	14	W. M. Walldbridge, transportation of instruments	1 50
	15	J. Wood do do	75
	22	M. M. Henkle, blank books and paper	2 60
Sept.	18	N. Dudley, boarding draughtsman	51 50
Oct.	13	John Cain, postage	28 34
Nov.	14	Wilson & Morris, furniture and fixtures for office of engineer	6 75
	15	George Espy, do	12 00
	20	Morrison & Tomlinson, box candles for eng. office	15 52
	30	Hugh B. Allen, glazing windows of engineer's do	8 50
	30	J. J. Stretcher, chairs for do do	6 50
	30	W. H. Lingenfelter, whitewashing rooms and repairing fire place of engineer's office	7 00

Carried forward

17,700 93

	Brought forward	17,700 93
	30 Seibert & Buehler, candlesticks, andirons, &c. do	4 68
	30 Richard Clark, cleansing office of chief engineer	3 00
	30 W. J. Proudfoot, 6 months' salary as draughtsman	270 00
	30 Same, for board	32 50
	30 Simpson Torbit, traveling expenses to and from New-York	94 37½
	30 H. M. Pettitt, salary	428 63
	30 J. Morrison, sawing wood, &c.	11 50
Dec.	1 Levi Comegys, lock for office of board	3 75
	2 Thomas Donelan, case for office of board	18 00
	11 John S. Williams, theodolite	125 00
	13 H. M. Pettitt, exchange on eastern draft,	9 93
	7 James Morrison, 1 quarter's salary	250 00
	10 J. L. Williams, in part for 1 quarter's salary,	229 00
	20 Morrison & Tomlinson, candles for office of board	12 04
	26 Samuel Forer, engineer from Kentucky, services	700 00
	26 S. Welch do do	700 00
1838		
Jan.	1 W. D. Maxwell, traveling expenses in accompany- ing engineer	16 37
Jan.	1 John Cain, postage	22 62
	1 Same	3 00
	8 James Hudson, carrying wood into office of Board	2 00
	25 Wm. Wolf, 6 cords wood	10 00
	25 R. A. Taylor 10 cords wood	15 00
Feb.	12 John Parker, 13 cords wood	20 00
	12 C. & J. Cox, sheet iron and fender for fire place	7 00
	28 W. J. Proudfoot, 1 quarter's salary as draughtsman	135 00
	28 Same Board for same	41 57
	28 Same do do	3 75
	38 J. L. Williams, 1 quar. salary as principal engineer	875 00
	28 James Morrison do as secretary	250 00
Mar.	1 Wm. Wolf, carrying wood into office of prin. eng'r	3 00
	1 Isaac Coe, paid for advertisement in Jour. Com.	10 00
	16 William Wolf, cutting wood for engineer's office	2 00
	17 Wilson & Morris, candles, wafers and tape for En- gineer's office	4 68
April	1 John Cain, postage	22 75
	4 Geo. W. Murphy, salary as prin. assistant engineer	227 30
	4 Same Board do	53 57
	7 Stacy & Williams, stationary and level books	11 00
	14 James Hudson, carrying wood into office	1 00
May	5 Osborne & Willets, printing accounts	27 50
	16 H. S. Weber, advertising notice to contractors	12 00
	16 L. B. Chapin, Colton's map of Indiana	10 00
	17 C. W. Cady, tissue and drawing paper	5 00
	17 G. Espy, model for rail road iron	12 00
	31 W. J. Proudfoot, 1 quar. salary as draughtsman	135 00
	31 Same do subsistence	39 00
	31 J. L. Williams, 1 quarters salary as chief engineer	875 00
Jan.	7 James Morrison, do as secretary	250 00

Carried forward

23,695 34½

		Brought forward,	23,695 34½
	37	R. & V. C. Hann, mathematical instruments and stationery	7 12½
July	1	John Cain, postage for engineer's office	17 39
	1	W. Y. Wylly, stationery do	9 44
	1	R. & V. C. Hanna, do for office of Board	3 87½
August	8	Henry Ohr & Co. table covering for eng'rs office	3 34
	31	W. J. Proudfoot, 1 quarter's salary as draughtsman	135 00
	31	Same do allowance for boarding	39 00
	31	J. L. Williams do as chief engineer	875 00
Sept.	7	James Morrison do as secretary	250 00
	24	Douglass & Noel, advertising in Cincinnati	24 00
	24	Same do in Louisville	21 00
	24	Same do in Toledo	10 50
	24	Same do in Pittsburgh	12 25
	27	W. J. Proudfoot, paid for maps	12 00
Nov.	5	Lucas & Co., Cinn. stationery for engineer's office	97 12
	15	John Cain, postage for do	17 52
	15	J. Ritchey, wood for do	3 00
	22	James Spencer, cutting wood for do	2 00
	30	J. Livingston, printing contracts	15 00
	30	F. Seward, for patterns for canal	2 00
	30	John Parker 8 2-3 cords wood for eng'rs office	13 00
	30	Douglass & Noel, printing specifications &c.	32 54
	30	Tomlinson & Sullivan, box candles for eng'rs office	16 44
	30	W. J. Proudfoot quarter's salary	135 00
	30	Same do subsistence	39 00
	30	Sherman Day, clerk hire &c. in engineer's office	62 33
	30	Same Board	14 57
	30	J. L. Williams, 1 quarter's salary as chief engineer	875 00
	30	James Morrison do as secretary	250 00
	30	W. H. Morrison, stationery &c. for office of Board	8 00
	30	Douglass & Noel, publishing notice to contractors	30 00
	30	J. Livingston, do do do	30 00
	30	John Cain, Postage for office of Board,	9 82½
			<hr/> \$26,767 71



REPORT
OF THE
FUND COMMISSIONERS
IN RELATION TO
INTEREST ON STATE BONDS
EACH YEAR
SINCE THE FIRST SALE.

JANUARY 9, 1840.

Read and referred to the committee on the Canal Fund, and 300 copies
ordered to be printed.

OFFICE FUND COMMISSIONERS,
Indianapolis, 6th Jan. 1840.

The Fund Commissioners, to whom has been referred the resolution of the Senate of the 2d instant, calling for information as to "what amount of interest has been paid upon state bonds sold for the prosecution of the Wabash and Erie Canal and the general system of internal improvement during each respective year since the first state bonds were sold, and from what source the funds were derived to pay each years interest; and further to report whether or not the \$1,000,000 of state bonds sold to the Morris Canal and Banking Company in 1838 and which are payable in London

will not cost the state, both in the payment of the interest and principal, the difference of exchange between this country and London over and above the \$1,000,000, principal and interest thereon," submit the following

REPORT:

The amount of interest paid annually upon bonds sold for the Wabash and Erie canal and in prosecution of the general system of internal improvement, since the commencement in 1835 up to the first of January, 1840, is as follows, viz:

For the year 1835	-	-	-	\$20,600 91
do 1836	-	-	-	34,228 05
do 1837	-	-	-	94,860 04
do 1838	-	-	-	179,079 13
do 1839	-	-	-	329,317 70
1st January, 1840 about	-	-	-	194,475 00
				<hr/>
				852,560 83

For the payment of which the following funds have been appropriated:

Amount received for sales of canal lands	-	-	\$107,927	44
Interest on deposits, exchange and premium	-	-	253,720	63
Interest on surplus revenue	-	-	80,661	93
State tax for internal improvements, 1837-8	-	-	78,000	00
do do levied for 1839	-	-	321,000	00
Canal tolls	-	-	5,023	95
Interest on deposits due 1st January, 1840, about	-	-	50,000	00
do on canal lands sold, payable in Nov. last	-	-	22,000	00
<hr/>				
			918,333	95

Leaving a balance applicable to the payment of interest due in July next of

\$65,773 12

In the payment of the interest due on the 1st instant in New York and London, amounting in all, to upwards of \$200,000, the Commissioners relied upon the debts due in New York until the revenue of the state applicable to that object could be collected and paid over. It was not until the first or second week in November, that they were apprized that the debtors to the State would wholly fail to meet their expectations, and that other arrangements must necessarily be made, or the interest of the State would remain unpaid, her plighted faith forfeited, her honor tarnished and credit destroyed. In this condition of things the Commissioners had but one resource—they *appealed to the Banks of Indiana, and did not appeal in vain.* Notwithstanding the large indebtedness of the State to the Banks, there was no hesitation—no apparent unwillingness, but with a generosity and patriotism highly creditable, they *unanimously* voted the amount required, and opening their vaults, they turned out their gold and silver to protect the honor of the State.

Many difficulties had to be surmounted before that amount of specie (mostly in silver) could be collected from the different sections of the State and concentrated upon the Ohio river at that inclement season of the year in time to have it transmitted to New York and London before the first day of January, but with unremitting efforts it was accomplished—our interest paid,

and the character of our State elevated to a high rank among her sisters of the Union. In connection with this subject I would beg leave to suggest the necessity of a change in the law providing for collecting and paying over the revenue to be applied in payment of the State's interest. By reference to the 21st section of the act entitled "an act pointing out the mode of levying taxes and fixing the per centum for State purposes," approved February 15, 1839, it will be seen that the Auditor cannot audit to the Board of Fund Commissioners the amount of revenue thus set apart *except on the first day of February* in each year. Now the semi-annual interest being due on the 1st day of January, it is thought that much difficulty might be avoided if the revenue could be promptly paid over when collected.

In reply to the second clause of the resolution, I would remark that in making a contract for the payment of money in London or any other part of Europe, the State must necessarily loose the exchange, but in the sales of bonds, an equivalent is always received by the low rate of interest we have paid in the money borrowed, or the increased price of the stocks. Our five per cent. sterling bonds, principal and interest payable in London, have been sold at 98, when the dollar bonds, redeemable in New York, have only commanded 88 cents to the dollar.

By making the calculation it will be perceived, that a sale of five per cent. dollar bonds at 88 is better than six per cents. at par.

Respectfully submitted;

L. H. SCOTT, F. C.

REPORT

OF

THE CHIEF ENGINEER,

RELATIVE TO

THE COST OF REPAIRS

OF THE

MADISON AND INDIANAPOLIS RAIL ROAD.

JANUARY 13, 1840.

Read and laid on the table, with an order for printing 100 copies.

INDIANAPOLIS, 11TH JAN. 1840.

HON. DAVID HILLIS,
President of the Senate,

SIR: Please lay before the Senate the following report in reply to a resolution of inquiry adopted by that body.

Very respectfully,

Your obedient servant,

J. L. WILLIAMS.

OFFICE OF CHIEF ENGINEER,
Indianapolis, 10th January, 1840.

To the Hon. Senate,

The undersigned has received a copy of a resolution adopted by the Senate on the 6th inst. requesting him to inform the Senate what the cost of repair has been upon the rail-road, between Madison and Vernon during the year last past; also the amount of natural decay upon said road during said time; the wear and tear of engine or locomotive during said time; and cost of superintendence consequent upon keeping said road in operation during said time," and in reply thereto would beg leave to remark respectfully that as the payments for contingent expenses of this kind are not made by the undersigned, his office does not contain the vouchers from which a strictly accurate statement can be made up.

By reference to the books belonging to that line I find that the following payments have been made to the superintendents of repairs, since 1st January last:

January 31, to M. Reily, superintendent of repairs	\$366
February 28 do do	328
April 3 do do	512
May 6 do do	582
June 15 do do	441
July 1 do do	511
July and August, to Adam Green in place of M. Reily	1,044
September do	475
October do	250
November—account not settled, but supposed to be the same as October	250
December, same as October	250
	<hr/>
	\$5,009

From the month of January to September inclusive the hands employed by the superintendent were engaged a part of the time in cutting the side ditches and filling the track, an expenditure which clearly belongs to construction; but what portion of the expense for these months is properly chargeable to construction it is impossible to determine accurately, as the time could not well be separated: but I think that about half the whole cost for the 8 months amounting to \$2,129 should be so charged, leaving \$2,880 as the total expenditure for ordinary repairs for one year on 20 miles of road, or \$144 per mile for the year, including wages of the superintendent.

The term "natural decay," as used in the resolution, I understand to mean the proportion of the cost of renewing the timber work of the road, chargeable to each year.

Our experience has not yet been sufficient to determine the decay of timber with accuracy. In a document accompanying my late annual report I say, "the sum of \$300 invested at the beginning of each year, for seven years, (the supposed durability of the timber part of the track) to improve at compound interest at six per centum, would produce a sum at the end of

that time sufficient to renew the wood work of the track. This then is the annual cost of repairing the wood work per mile, or \$6,000 per year for the twenty miles.

The wear and tear of the locomotive engine, including the occasional renewal of the wheels and other parts, may probably amount, taking one year with another, to \$500 per annum. This estimate must of necessity be conjectural. The superintendent informs me that the actual *repairs* to the engine during the past season did not exceed two dollars. The State employs at the depot a superintendent of machinery, who is engaged in making the necessary repairs, building cars, &c., and who receives \$840 per annum, a part of which, probably one-third, amounting to \$280, should be charged to running the locomotive. The wages of the conductor of the train, the engineman, fireman, &c., are paid by the transporters.

Respectfully submitted.

J. L. WILLIAMS.



REPORT

OF

COMMITTEE ON ROADS AND CANALS,

IN THE

SENATE OF THE UNITED STATES, JAN. 8, 1840.

RELATIVE TO LAND GRANTED THE STATE OF INDIANA TO AID IN CONSTRUCTING
THE WABASH AND ERIE CANAL.

JANUARY 20, 1840.

The following Report from the Committee on Roads and Canals in the Senate of the United States, was laid before the Senate of Indiana by Mr. Bowen, and 500 copies thereof ordered to be printed for the use of the Senate.

Mr. SMITH of Indiana, made the following Report:

The Committee on Roads and Canals, to which was referred the resolution of the Senate of the 3d instant, in the following words: "Resolved, That the committee on roads and canals be instructed to inquire what legislation, if any, is necessary to confirm to the state of Indiana, the land claimed and selected by her under the provisions of the act of Congress of 2d March, 1827, entitled, 'An act to grant a certain quantity of land to the state of Indiana, for the purpose of aiding the state in opening a canal to connect the waters of the Wabash with those of Lake Erie,' for that portion of the canal between the mouth of the Tippecanoe river and Terre Haute; and that Document No. 32, in vol. 3 of the House of Representatives executive documents of the 25th Congress, be referred to said committee:" have had the subject under consideration, and make the following report:

The document referred to by the resolution is voluminous, and can only be noticed by the committee, to sustain the views entertained on the subject matter of inquiry, as the committee is well apprized that it will conduce to a full understanding of the questions involved, to condense the facts as much as is consistent with a fair development of the questions submitted by the resolution.

The facts of the case are believed to be these:

A single glance at the map of the United States will at once exhibit the great importance, in a state and national point of view, of connecting by a canal or railroad the navigable waters of the Wabash with those of Lake Erie; and by such connexion opening one continuous chain of uninterrupted internal communication from New-Orleans to New-York and Philadelphia, through the Wabash and Mississippi rivers to the south, and through the lakes, the New-York and Pennsylvania canals, and the Hudson, to the east.

At an early day, so apparent was the importance of this single link in the great chain, that its construction became an object of state and national solicitude, enterprising individuals had made examinations of the country, and entertained little doubt of the practicability of the work. A United States engineer, Mr. Stansbury, was detailed for the purpose of making a survey of the route, which he performed by running a line from the falls of the Maumee of the lakes to the mouth of the Tippecanoe river on the Wabash, giving it as his opinion, that at those points the canal might terminate, supposing he had arrived at a point of uninterrupted navigation at each extreme of the line, and reporting the entire practicability of the work.

Congress, on the 2d March, 1837, passed an act on the subject, the first two sections of which, being all that is material to the question submitted to the committee, read as follows:

"SEC. 1. That there be, and hereby is, granted to the state of Indiana, for the purpose of aiding the said state in opening a canal to unite at navigable points the waters of the Wabash river with those of Lake Erie, a quantity of land equal to one half of five sections in width, on each side of said canal, and reserving each alternate section to the United States from one end thereof to the other; all the said lands shall be subject to the disposal of the legislature of said state, for the purpose aforesaid, and no other: *Provided*, That the said canal, when completed shall be and forever remain a public highway for the use of the Government of the United States, free from toll or other charge whatever, for any property of the United States or persons in their service passing through the same: *Provided*, That said canal shall be commenced within five years and completed in twenty years, or the state shall be bound to pay to the United States the amount of any lands previously sold, and that the title to purchase under the state shall be valid.

"SEC. 2. That so soon as the route of said canal shall be located and agreed on by the said State, it shall be the duty of the Governor thereof, or such person or persons as may have been or shall hereafter be authorized to superintend the construction of said canal, to examine and ascertain the particular lands to which the said State will be entitled under the provisions of this act, and report the same to the Secretary of the Treasury of the United States."

The eastern portion of the canal line running through the State of Ohio, down the Maumee, the State of Indiana relinquished to that State and she accepted the grant for that portion of the work, and obliged herself to com-

ply with the requirements of the act of Congress, placing herself in the same relative position to the General Government that Indiana stood by the act above referred to.

It is important here to refer to the condition of the country through which the canal was to run at the time the above act was passed, for the purpose among other things of explaining, and giving the true meaning to, the terms employed in the act. A portion of the lands were public lands, another portion was still subject to the Indian title, a portion had previously been granted away by the Government, and another portion had been sold by her, so that at the time of the passage of the act, it was obvious to all that each alternate section was not at the disposal of the Government, hence the terms used in the act "*equal in quantity* to one half of five sections in width," "*from one end thereof to the other,*" were clearly intended to grant to the State, the entire *quantity* of land whether it was within the five miles subject to the operation of the act or not, as the State had to construct the work, reserving, however, to the General Government each alternate section of all the lands that might be subject to the grant within the five miles of the line, upon the natural supposition that lands thus situated would be enhanced in value by the construction of the work.

The States of Indiana and Ohio each adopted the line of the canal as run by Stansbury the United States engineer, in the language of the act of the State of Indiana, "*for the time being;*" the falls of the Maumee at the east, and the mouth of the Tippecanoe river on the Wabash, being the *supposed* navigable points at which the waters of the Wabash were to connect with those of Lake Erie by the canal, the lands for this portion of the canal were selected by those States: what lay within the five miles of the line were taken in alternate sections, and the deficiency was taken from other Government lands: the whole of these lands were returned to the proper department and confirmed. Thus far there is no matter of controversy between the parties, so far as the committee has understood. Upon a careful examination on the part of the authorities of the State of Ohio it was found, that in order to complete the work so as to connect the waters at a point of *uninterrupted navigation*, it became necessary to extend the eastern division of the canal from the falls, the point selected by Stansbury, down the river to Maumee bay. This extension was made, and the Government ratified the location and extension, and as the lands on the line of the canal had been disposed of, Congress authorized a selection of other lands equal in quantity in lieu of those granted by the before recited act of Congress of 2d March, 1827. These lands were selected by Ohio for the extension from the supposed point of navigation to the Maumee bay, and returned to and confirmed by the proper department. Hence there is no matter of controversy, so far as the State of Ohio is concerned; the whole grant to that State, deriving her claim through the grant to Indiana, has been made and received in good faith.

The committee having given this brief history of the matters which precede, and upon which is based, the immediate question submitted to them, proceed to the main question in the inquiry.

The proper authorities of the State of Indiana, like those of Ohio, having made the necessary examinations as to the point of termination of the canal on the Wabash, found that it was absolutely necessary, in order to connect the canal with the Wabash, at a point of *uninterrupted navigation*, to extend it down the river from the mouth of the Tippecanoe river to Ter-

re Haute, and proceeded to make that extension, and at that point connected the work by a lock with the Wabash; like the other extension in Ohio, the lands within the five miles of the line had been mostly, if not altogether, disposed of. The State of Indiana, like that of Ohio, claimed to select other lands in lieu of those so disposed of, from Government lands, equal in quantity; and the Governor of the State, by virtue of the 2d section of the act of 2d March, 1827, above recited, has selected and returned to the department the quantity of land granted for that portion of said canal between the mouth of the Tippecanoe river and Terre Haute, of other lands in lieu of the lands sold upon the line by the Government. The document referred by the resolution, shows that the Commissioner of the General Land Office, from feelings of delicacy, and out of abundant caution, did not think proper to recognise the right of the State to the selection, nor her authority to extend the canal, nor her claim to lands to aid her in that extension, until the matter had been submitted to the Secretary of the Treasury, and the opinions of the Solicitor of the Land Office and the Attorney General had been obtained. Thus it appears to the committee that every cautionary step has been taken by that officer to guard the interest of the United States, as well as to obtain a fair expression of a disinterested opinion on the subject, that the importance of the matters involved required. The Commissioner of the General Land Office, in presenting the papers to the Secretary of the Treasury, put several queries to that officer, which were referred for answer by him to the Solicitor of the Land Office and the Attorney General. The first of which involves the real merits of the question, as follows: "Was the State estopped or precluded from extending the canal from the mouth of the Tippecanoe river to the Wabash at Terre Haute, so as to be entitled to the additional quantity of land asked for under the act of 2d March, 1827?", This is the important question to be decided; the other questions put are merely incidental. To this question Attorney General Butler gives the following response: "The first of the above questions must, in my opinion, be decided in the negative. I think that the proposed extension of the canal, from the mouth of the Tippecanoe, (the first selected point of termination on the Wabash,) to Terre Haute, as now proposed, is a measure fully authorized by the act of Congress of the 2d March, 1827, provided it be admitted, as is doubtless the fact, that such an extension is necessary to the completion of a convenient and useful navigation between the waters of the Wabash and those of the lake; in construing this law, we are to have special regard to the purposes intended to be accomplished by it. They evidently were to encourage the State of Indiana, to construct a canal between the navigable waters of the Wabash and the lake, it being supposed by the law makers that such a navigable communication would promote the interests of the United States, as well as those of the State, by enhancing the value of the public lands in its vicinity, and by furnishing increased facilities for the transportation of the troops and property of the United States from place to place in the region through which it passed; hence the engagement to grant to the State a certain quantity of land along the route of the canal, and hence, also, the stipulation that the United States should have a perpetual right of way over the canal for the transportation of their property, and of persons in their service.

"In reference to such a law, it appears to me to be too narrow a construction of it to hold that the State is concluded as to its point of termination on the Wabash, by the selection made in 1829. The great object of the law

was to promote the opening of a communication from the lake to the *navigable* waters of the Wabash: nothing short of this will effectuate the intentions of its authors, or secure to the United States the benefits intended to be derived from it. If, therefore, it is found, by further investigation, that, to secure a convenient and useful means of communication between the navigable waters of the river and those of the lake, the canal should be extended to Terre Haute, then, I think it is not only competent for the State of Indiana, within the true meaning of the act of Congress, but due on the part of the State, that such an extension should be made. If it be said that the U. States are satisfied with the communication already opened, and that the construction above given makes the State the sole judge of the question whether the extension is really necessary or not, my answer is, that the power and duty of fixing the terminating point were left, by the act of 1827, exclusively to the State Legislature, and the fact that the greater part of the expense of constructing the canal will fall upon the State is a sufficient guarantee that the extension of the canal to a lower terminating point will not be resolved upon unless it be really deemed necessary to the usefulness of the work." Mr. Whitcomb, the Commissioner of the General Land Office, upon the same point, after giving the reason and facts that sustain his opinion upon a view of the opinions of the Solicitor of the Land Office, says, "I am, therefore, of opinion that the State of Indiana not only had the right to extend the route of the canal from the mouth of Tippecanoe to Terre-Haute, but that it is due to the United States that the proposed extension to a navigable point should be recognised." The committee has extended the extracts from these opinions not merely because they are the opinions of those who are supposed to be disinterested and impartial judges of the question submitted, but because the committee think the opinions advanced fully sustained by the facts of the case. Indeed, it would seem to the committee evident that as the points at which the canal was to terminate by the terms of the act, were at "navigable points," and as these points were to be determined by the State, and the State having determined that Terre Haute is *the navigable point* contemplated by the law, the extension was imperative on the State, and all the corresponding obligations on the part of the Government under the act of 2d March, 1827, followed. The right of the State therefore to the additional land for that portion of the canal between the mouth of the Tippecanoe and Terre Haute being admitted, the last question arising under the resolution is "What legislation, if any, is necessary to confirm to the State of Indiana the land claimed and selected by her" for this portion of the canal? This question must be answered by a reference to the 2d section of the act of 2d March, 1827, which provides "that so soon as the route of said canal shall be located and agreed upon by the said State, it shall be the duty of the Governor thereof, or such person or persons as may have been, or shall hereafter be, authorized to superintend the construction of said canal, to examine and ascertain the particular lands to which the said State will be entitled under the provisions of this act, and report the same to the Secretary of the Treasury of the United States." This section would certainly authorize the conclusion that the Governor of the State had the power to make the selections for the State under the provisions of the act, or what is meant by the terms, to "*examine and ascertain the particular lands to which the state will be entitled,*" if the power of selecting is not to be understood by them? Such is the interpretation given to the act by the State authorities of Indiana, and the selections have been made

and returned to the department in accordance with that construction. The committee perceive that the Attorney General has expressed the opinion that the right of selecting other lands in lieu of those within the limits of the five miles, is not conferred by the act of 2d March, 1827; and as, in the case of the State of Ohio, a special act was passed, authorizing the selections to be made of other lands, and inasmuch as it is of the greatest importance that every doubt should be removed as to the legality of the selections and the right of the state to dispose of the land to aid her in the final completion of the work, to put the matter finally and forever at rest, the committee adopt the course which was pursued in the case of Ohio, in relation to the eastern termination, and report a bill to confirm to the State of Indiana the lands selected, reserving the right to actual settlers at the time the selections were made, of pre-emption under the pre-emption laws in force, and authorizing other selections, should any of the lands already selected be adjudged to pre-emptors.

All of which is respectfully submitted.



REPORT

OF

THE CHIEF ENGINEER,

TO THE

BOARD OF INTERNAL IMPROVEMENT,

IN RELATION TO THE SURVEYS ON THE

ERIE AND MICHIGAN CANAL.

JANUARY 28, 1840.

Read and laid on the table and 300 copies ordered to be printed.

OFFICE OF BOARD OF INTERNAL IMPROVEMENT,
Indianapolis, Jan. 27, 1840. }

HON. DAVID HILLIS,
President of the Senate,

SIR—I herewith transmit the report of the Chief Engineer in relation to the recent surveys on the Erie and Michigan canal, to be laid before the Senate.

By order of the board,

JAS. MORRISON, Sec'y,
of Board Int. Imp.

OFFICE OF CHIEF ENGINEER, }
Indianapolis, Jan. 10, 1840. }

To the Board of Internal Improvement:—

GENTLEMEN—The undersigned has now the honor of presenting to the Board the results of the surveys which have been made during the past season on the Erie and Michigan canal.

In the first examinations and reports on this line the upper branches of the Elkhart, on the west side of the summit ridge, were chiefly relied upon for the supply of the summit level, while the branches of Cedar creek on the east side of the ridge, were only referred to as a contingent resort. The streams having been reduced so much lower during the last two seasons than previously, it was deemed advisable to ascertain by actual survey, to what extent the drainage of the Cedar branches could be made available. And as the drainage of the Elkhart branches had not been heretofore ascertained from actual survey, examinations were extended to those branches, so far as time would permit, for the purpose of determining by actual survey, the number of acres drained into each reservoir.

By the report of Mr. Ball herewith submitted, it will be seen that these important objects have been accomplished to a great extent, so that our calculations in regard to the supply may now be formed upon a more certain basis.

One of the most important results of these examinations is the ascertainment of the fact that, without diverting the Eastern division of the canal from its direct route to Fort Wayne, a sufficient supply of water may be introduced from the branches of Cedar creek into the head of the Spy run level 62 feet below the summit. This feeder will supply 11.30 miles of the canal next to its junction with the Wabash and Erie canal, by which means the portion of line dependent upon the summit resources is reduced by this distance.

By the latest surveys and plans the total length of main line dependent upon the summit level for water is 31.23 miles, extending from the first feeder from the Main Elkhart, north of the summit, to the head of the Spy run level, about 12 miles from Fort Wayne, to which add the navigable feeder from the Middle fork 9.1 miles, and it gives a total of 40.73 miles. For a portion of this distance 8.73 miles, the canal passes through, and is formed by the South fork reservoir, with a towing path on the bank, and a lock at each end; and as the depression of the reservoir surface by evaporation and soakage is deducted in the calculation of available *supply*, it is proper that this distance should be deducted in estimating the demand, which leaves 32 miles to be provided for.

For the supply of the summit section, and to furnish lockage water for the trade, our principal resources are,

1st. The Middle fork reservoir, with an area when full of 918 acres, an available depth at the dam of 16 feet, and a drainage flowing into it of 36,200 acres, including both the Middle and North forks of Elkhart. The area of this drainage has not been ascertained from actual survey, but from an examination of the dividing ridge in connection with the section lines. The

area here stated is 15 per cent. less than was reported by Mr. Mitchell, and is supposed to be safe.

2d. The South fork reservoir, which when full will have an area of 1000 acres, an available depth of 10 feet, and receives the drainage of 34,515 acres, including the South fork and the upper branches of Cedar creek, as ascertained by actual survey.

3d. Lewis' branch reservoir, —with an area when full, of about 400 acres, an available depth at the dam of 23 feet, and a drainage of 9,700 acres, ascertained not by actual survey, but by an examination of the dividing ridge in connection with the section lines.

The principles upon which I have estimated the quantity of water that can be furnished by these reservoirs for the supply of the canal, after deducting all losses, should be stated,

First: As to the annual depth of falling water which may be safely relied upon in this locality.

The amount of rain at any given point is much greater during some years than others, varying frequently as much as 50 per cent. While it would not be proper to take the average of any considerable number of years, as the basis of computation, for the reason that the surplus of the abundant years must be partly wasted; yet I deem it safe in this case to adopt the lowest average between any two consecutive years. The reservoirs proposed on this summit are of such capacity as to retain the surplus of the more abundant year to a sufficient extent to meet the deficiency of the succeeding year of greater drought.

The accompanying statement marked B., made up from authentic sources of information, exhibits at one view the actual depth of falling water at 68 places in different parts of the United States, from the year 1824 inclusive, to the present time. This statement shews a considerable disparity between the different localities. By a critical comparison of the results in different districts it will be found that they strongly corroborate the generally received opinion that more water falls in hilly than in level districts. The table gives the annual depth of rain at 52 different points within the state of New York from 1826 to 1838, as contained in the reports of the Regents of the University of that state dated 1st March, 1839, which gives for the general average of the state, running through the 13 years a mean depth of 36.24 inches. By dividing the state into three general divisions, the eastern, middle and western, it is found that the average for the eastern district, which is believed to be the most hilly, amounts to 37.99 inches; the average for the western district, which is the least hilly, and which lies contiguous to the vast level region of the upper lakes, amounts to 29.80 inches; and the average in the middle district which is probably intermediate in its character is 33.72 inches. While there are no doubt other causes, either local or general in their nature, which influence the quantity of rain, yet the results here stated, as well as the comparison between other points embraced in the table, indicate that the relative unevenness of the surrounding country is a prominent one.

Since the amount of falling water in different localities is found to be so variable, it is to be regretted that we have not the advantage of observations at any point near the Elkhart summit. Since the first of March last a rain gauge has been kept at my office in Indianapolis, which shews an aggregate depth of falling water up to the 1st of January, 10 months, of 29.59

inches, but the period through which these observations have been extended is too short to furnish any guide.

Through the politeness of Professor Ray of Woodward College, Cincinnati, and of Dr. Sweeney of Dearbornville, 12 miles from Detroit, I have been furnished with the results of the rain gauges kept at those points for several years past. At Cincinnati the rain during the past year amounts to 30.62 inches; being much less than in any other year; and the lowest average between any two consecutive years 1838 and 1839 is 35.03 inches. At Dearbornville the rain in 1839 amounts to 25.83* inches, and the average annual fall for 1838 and 1839, which have been the driest of any two consecutive years since the observations were commenced, amounts to 27.83 inches. I am not aware of the rain gauge having been kept at any point nearer to the Elkhart summit than the places here named. The country bordering the Ohio valley in the vicinity of Cincinnati is much more broken, and is also further south than the district under consideration; and therefore would not form a safe basis for our computation. The region in which Dearbornville is situated, (surrounding Detroit) is supposed to be very similar, in respect to its undulations, to the country surrounding our reservoirs, and is also very nearly in the same latitude. The result at this point, or say 28 inches, should therefore be taken as the depth of falling water from which the annual drainage into the reservoirs is to be computed.

Secondly: What proportion of the downfall water will find its way into the reservoirs?

From the nature of this question it can only be determined with any degree of accuracy by actual experiment, made upon a large scale. The measurement of the drainage made at the Madison Brook reservoir, on the Chenango canal, N. York, by Mr. Jervis the Engineer, appears to have been made with much care, and for that particular locality would no doubt be a safe guide. These experiments shew the drainage to be equal to 2-5 of the falling water. This is believed to be the only accurate experiment which has been made, either in this country or in Europe, with a view to determine the proportion of drainage.

In the first report in regard to the supply of the Elkhart summit, made by the undersigned in Dec., 1836, one-third of the fall of rain was adopted as the proportion of drainage.

Col. J. J. Abert in his late valuable report in regard to the practicability of a canal from the Chesapeake and Ohio canal to Baltimore, after consulting all the authorities on this subject, assumes for that locality a drainage of one-third the fall.

The country surrounding the proposed reservoirs on the Elkhart summit, is probably not so favorable to the collection of a large proportion of drainage as that on which Mr. Jervis' observations were made. It is, I presume, more level, and contains a number of small lakes and wet marshes, amounting probably to one third of the whole area, from which the evaporation would probably nearly equal the fall of rain. I deem it safe, however, to estimate the drainage at 9 inches over the whole surface drained, which is a little less than one third the annual depth of rain and melted snow.

*See note appended to the table.

Thirdly: The inquiry next to be considered is the probable loss of water from the reservoirs by the combined effect of evaporation and filtration.

On this branch of the investigation, we are much at a loss for the want of practical results obtained by direct and careful observations on the reservoirs in use. Col. Abert, in the report alluded to, after obtaining all the light which could be drawn from actual experiments on reservoirs that have been in use, which it must be admitted is not very definite, adopts half an inch per day or fifteen feet per annum nearly, as the rate of depression of the reservoir's surface over and above the depth of the rain, falling directly upon its surface, in the course of the year. The reservoirs for which this allowance was adopted have much higher dams than those on the Elkhart summit, and are probably situated in vallies having a much greater inclination, from which causes a larger allowance for filtration should be made. The Licking summit reservoir on the Ohio Canal is the most extensive that has been any where constructed, so far as I am informed, covering a surface when full of 2954 acres. It is to be regretted that no observations have been made at this reservoir to determine the question of loss. The time of Engineers in this country, and especially of those in the service of States, is generally so constantly occupied with their current duties, as to leave but little opportunity for observations of this nature, requiring much time and care. Much is thus lost to the cause of practical science. I am informed by the superintendent of that work, that in the very dry autumn of 1838 the surface of the Licking summit reservoir was depressed at the rate of half an inch per day. During that time about twenty or thirty miles of canal, together with lockage water for the summit, must have been supplied from this reservoir. As the quantity of water thus drawn from this reservoir was not measured, this observation furnishes no definite guide, excepting so far as it proves the loss from evaporation and filtration to have been much less than $\frac{1}{2}$ inch per day. The probability is that it did not exceed 1-5 of an inch per day. The observation at this reservoir was taken at a season of the year when very little if any rain was falling on its surface to counterbalance the evaporation, nor could it have received any supply from the neighboring streams. The situation of this reservoir, which I had an opportunity of observing during its construction, is more favorable for the retention of water than our Middle fork reservoir, and less favorable than the South fork reservoir.

From all the facts and experience that I can collect, in relation to the question of loss from reservoirs, I deem it safe to assume a depression in the surface of those on the Elkhart summit from 1-8 to 1-3 of an inch per day for the whole year, as the probable loss from the excess of evaporation and filtration over the rain upon their surfaces.

Having thus stated the prominent facts connected with the plan of the canal, the length of line dependent upon the summit level for water, the locality and content of the principal reservoirs, and having explained the principle upon which the drainage and the loss from the reservoirs may be computed, the results of the demand and supply so far as relates to the summit division, may now be stated as follows;

DEMAND.

32 miles of Canal, including Middle fork feeder, requiring for filtration and evaporation,
say 65 cubic feet per mile per minute, 2080.00 cubic ft. per minute.

Lockage water for the passage of twenty-five boats per day each way—fifty passages in all, or one hundred locks full, with locks of six feet lift,	562.50 cubic ft. per minute.
Leakage through locks at the rate of twelve locks full per day at each end of the summit section,	135.00
Feeder from Lewis' branch reservoir to Canal, 1.27 miles at 30 feet per mile per minute,	38.10
Quantity required per minute,	2,815.60 cubic feet.
Which during 275 days of navigation will amount to	1,114,977,600
Quantity required to fill 32 miles of Canal in the spring, 4 feet deep, average surface 50 feet,	29,061,120
Contingent allowance to fill canal after breaches, &c, equal to one full prism of the canal,	29,061,129
Total demand annually in cubic feet,	1,173,099,840
This demand is calculated for a canal of forty feet surface and four feet depth of water, with locks of 90 by 15 feet.	

AVAILABLE SUPPLY.

To meet this annual demand, there may be drawn from the several reservoirs before described, after making deductions for all losses as shown in the annexed table marked A, as follows:

Middle fork reservoir,	-	-	-	717,011,280 cub. feet.
South fork reservoir,	-	-	-	589,173,050 "
Lewis' branch reservoir,	-	-	-	251,559,000 "
				<hr/>
Total,	-	-	-	1,557,743,330 "
Total demand as above,	-	-	-	1,173,099,840 "
				<hr/>
Surplus,	-	-	-	384,643,490

The surplus here shown from these reservoirs is amply sufficient to meet any contingency that may occur, and also to provide for an additional trade of a future period. It will be seen, however, by Mr. Ball's report that a reservoir may be constructed in the valley of the Tamarac branch from which a small additional supply could be obtained. A further supply, probably equal to four or five hundred feet per minute for a period of six months in each year, could be furnished by constructing a feeder from the chain of lakes, known as Wolf, Bear, and High Lakes, conducting into these lakes the head branch of the Tippecanoe.

These sources of additional supply are only referred to as a contingent resort; they are not considered necessary.

It will be seen, therefore, that the general result of the surveys and investigations of the past season is, to establish the practicability of the canal, and the sufficiency of water on the summit level, upon the plan now submitted.

The plan of the South fork reservoir, as presented in the foregoing calculation, embraces a catch-water drain, 18 miles in length, extending along

the east side of the summit ridge, for the purpose of receiving and conducting to the reservoir the drainage of the head branches of Cedar Creek. This drain or canal forms the most expensive and objectionable part of the arrangement, and as there is a possibility of its being unnecessary, I would suggest that the other portions of the work be first constructed, and that the catch-water be afterwards made, only so far as it may be found necessary. Should the drainage of the head branches of Cedar Creek be found unnecessary, the South fork reservoir should be raised to only about 6 feet instead of 10 feet above top water line of the Canal.

In former reports upon this summit, it was proposed to construct two reservoirs in the valley of the South fork. As the area of country draining into the upper site is found by actual survey to be only about one third as great as was estimated by Mr. Mitchell in his report to me last year, it will be advisable to abandon the upper reservoir and collect all the drainage into one common receptacle, the site of which is most favorable.

By this change the loss of water by evaporation and absorption will be diminished.

In a former part of this report, I stated the fact that the eastern division of the Canal could be supplied without making any demand upon the summit reservoirs. The reservoir for this purpose would be formed in the valleys of Week's branch and Black creek.

Its area when full would be 1185 acres; available depth at the dam 11 feet; and it would receive the drainage of 32,030 acres; without resort to the main branch of Cedar Creek. The feeder from the reservoir to the canal would be 3.42 miles long.

The computation of demand and supply for this division may be stated as follows:

DEMAND.

11.3 miles of Canal requiring for filtration and evaporation 65 feet per mile per minute,	734.50 cubic ft. per minute.
3.42 miles of feeder, not navigable, requiring 40 feet per mile per minute,	136.80 "
Quantity required per minute,	871.30 "
Which, during 275 days of navigation, will amount to cubic feet	345,034,800
Quantity required to fill the Canal in the spring,	10,262,208
" required to fill the feeder,	1,372,378
Contingent allowance to fill Canal after breaches, &c. equal to one full prism,	11,634,586
Total annual demand, cubic feet,	368,303,972

SUPPLY.

To meet this annual demand, we have the available content of the Week's branch and Black creek reservoir, which as shown in the tabular statement marked A, will furnish annually, after allowing for all probable losses,

Demand as above shown,	368,303,972 "
Surplus,	245,673,248 "

This reservoir could be very much enlarged if found necessary, by an addition to the height of the dam, and by the construction of a feeder from the main branch of Cedar creek at Auburn, a distance of 10 miles: the drainage of that stream, amounting probably to 40,000 acres, could be brought into this reservoir. But it is not supposed that any such necessity can arise.

It is due to Mr. Ball to say that his examinations and surveys on this Canal have been conducted with judgment and efficiency; and that it is chiefly from the facts furnished by him in relation to the reservoir sites, the extent of the drainage, &c. that I have been enabled to prepare this report.

A map of the country embraced in these examinations, shewing at one view the plan and location of the Canal, from Middle fork reservoir to Fort Wayne, with the feeders, reservoirs, and the extent of drainage, has been drawn, and is on file in this office for the use of the state.

Respectfully submitted,

J. L. WILLIAMS, Chief Eng.

Comparative view of the quantity of falling water in different parts of the United States during the last sixteen years.

PLACES.		1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	Aver- age.
Albany,	New York.																	40.53
Auburn	do		33.12	49.80	37.66	38.07	41.85	39.52	44.45	41.74	32.45	40.44	44.60	41.17	42.03			30.93
Bridgewater	do				34.91	30.54	37.88		30.87	34.	24.70	34.33	31.30	29.03	21.74			43.35
Buffalo	do								27.27	42.87	40.12	55.96	49.70	37.12				27.27
Cambridge	do			52.01	43.68	39.04	35.10	43.05	46.45	47.51	29.18	35.92	34.05	31.57	44.16			40.14
Canandaigua	do					30.20	36.60	38.90	30.04	39.85	36.58	43.85	39.50	40.22	35.75			37.14
Cayuga	do			35.59			37.11	36.10	29.06		25.09							32.59
Cherry Valley	do			54.25	34.39	39.93	45.05	49.04		44.01	33.79	34.83	38.06					41.48
Clinton	do			47.17	30.91	42.56	46.65	38.49	41.82	36.29	38.92	30.55	35.50	34.26	28.07			37.59
Delaware	do				28.85		22.55							54.95				35.45
Dutchess	do						46.36	49.63	47.39	40.52			28.98	34.48				41.22
Erasmus Hall	do		44.91	48.27	45.14	48.62	53.47	42.52	43.54	46.76	39.48	38.11	43.89	34.66	41.11			43.88
Farmers' Hall	do										30.48	25.62	38.05		30.82			31.24
Fairfield	do				45.51			23.73	32.22			36.17	34.71	32.55	27.66			33.22
Fredonia	do						33.93	36.69	41.03			40.96	36.45	39.74	31.85			37.23
Franklin	do				25.86	26.16	36.15											29.39
Gouverneur	do									33.80	26.66	46.16	26.70		20.02			30.66
Granville	do										24.75	28.90	28.78		28.65			27.77
Greenville	do	30.69	45.06	30.84										40.05				35.53
Hamilton	do		43.44	34.18	33.26	42.71	35.79	35.38		43.20	32.50							37.83
Hartwick	do	42.35	53.43	32.67	40.83	41.59	44.64	38.43			30.48	31.64	28.36					38.44
Hudson	do		39.87	43.25	33.47	39.77	44.65	45.57	42.52	52.30	49.34	30						39.32
Ithaca	do			24.45			35.61			26.64				28.25	33.82			29.75

Johnstown	do	10.39	36.59	36.88	32.73	35.14	41.01	37.40	50.47	49.63	40.02
Kinderhook	do			36.92	42.82	53.46	39.86	25.95	37.00	35.94	37.51
Kingston	do		38.99	40.15	45.35	38.25	44.04	34.85	33.94	37.12	38.39
Lansingburgh	do	33.00	46.81	37.91	38.34	40.67	37.38	45.83	44.49	35.74	37.47
Lewiston	do							22.55	25.68	33.58	23.15
Lowville	do		32.87	35.48	28.07	36.66	39.79	29.12	35.08	39.12	34.52
Middlebury	do	23.96	30.02	38.42	29.80	38.50	29.83	28.58	30.67	27.44	31.13
Monroe	do									30.64	27.30
Montgomery	do			40.36	31.45	40.99	44.62	40.54	36.34	33.53	35.02
Mount Pleasant	do									26.33	37.83
Newburgh	do			42.36	48.86					39.17	36.37
North Salem	do	43.30	32.54	34.38				41.17	29.23	25.04	38.62
Ogdensburg	do			43.37	42.95	40.93	43.26	33.50	35.49		24.61
Oneida Conference	do										37.08
Oneida Institute	do			41.59	37.29	37.49	37.57	33.44	34.35	30.12	27.41
Ononduaga	do							25.48	25.00	38.01	31.26
Oxford	do	26.67	38.09	35.79	27.10			28.20	26.79		34.39
Oysterbay	do			36.71	33.79	30.63	31.00	32.69	29.54	38.66	42.29
Palmyra	do							42.29		41.20	25.55
Pompey	do							17.30	33.80		29.70
Redhook	do	39.13	33.47	27.23		30.06	26.44	30.14	33.27	23.84	38.29
Oswego	do					43.00	48.23	38.54	25.92	29.66	34.82
Rochester	do					34.94					27.58
St. Lawrence	do										28.39
Schenectady	do										39.33
Springville	do										37.44
Union	do										27.31
Union Hall	do										40.20
Utica	do	55.66	51.14	48.91	45.83	43.32	37.75	38.25	36.67	34.06	39.47
Average for state of N. Y.	do	36.69	47.87	36.57	36.16	46.19	37.85	49.90	37.79	33.52	36.24
Eastport, Maine	do	36.33	44.40	36.74	34.96	38.34	38.83	37.22	37.03	30.75	40.10
								43.00	37.20		

COMPARATIVE VIEW—Continued.

PLACES	1824	1825	1826	1827	1828	1829	1830	1831	1832	1833	1834	1835	1836	1837	1838	1839	Average
Boston									38.89	35.66	42.34	30.06					36.43
Providence																	36.73
New Haven																	44.53
Philadelphia	38.74	29.57	35.14	38.56	3	.97	41.86	45.07	43.94	39.87	48.55	34.24	39.30	42.66	39.04	43.70	37.44
Baltimore	42.28																39.89
Germantown, Pa.	50.38	33.36	38.63	42.93													38.10
Lebanon																	40.46
Savannah														39.81			39.81
Key West														38.65	20.49		29.48
New Orleans														52.25			47.35
Cincinnati														52.15	39.45	30.62	44.46
Marietta, Ohio														36.75	35.48		41.94
									49.50	39.52	37.26	53.54	48.33	9 mos			
Dearbornville, near Detroit														34.06	27.24	29.84	*25.83
Montreal														20.93			30.73
Indianapolis																10 mos	20.93
																	29.58

*The month of December for the year 1839 has not been reported to me from Dearbornville. The average of the preceding 11 months, has been taken for December in making up the above amount.

INDIANAPOLIS, Dec. 30th, 1839.

To J. L. WILLIAMS,
Principal Engineer—

SIR—In compliance with your instructions requiring me to make critical surveys of all the resources of the country for supplying with water the Erie and Michigan Canal, from its intersection with the Wabash and Erie Canal to the western termination of the Elkhart summit level, a party was organized and field operations commenced about the middle of July last. Having completed the necessary calculations and estimates, I beg leave to submit the following

REPORT.

It may be proper for me to state, that prior to entering upon the duty assigned me by your instructions, many surveys had been made on this line, both with a view of determining the proper location of the canal, and of ascertaining the available resources of the country for supplying it with water. The main line had been located and also four reservoirs; two in the valley of the middle fork of Elkhart, and two in the valley of the south branch of the same stream. Feeders had also been located. Of the two reservoirs located on the middle fork, the upper one was designed to retain the waters of that stream, and the lower one the drainage of the north fork, which was to be introduced by a short and deep feeder. The reservoirs located on the south branch were designed simply to catch and retain the drainage of that stream,

With reference to the available sources for supplying this line with water, it is naturally divided into two sections; No. 1 extending from the first feeder west of the summit, to the western end of what is called the "Spy Run level," and No. 2, extending from the western end of said Spy run level to the eastern termination of the canal—the first section being 31.23 miles long, the second 11.30 miles long, and 62.00 feet below the summit level.

The first and most important object was to ascertain to what extent the drainage of the surrounding country could be made available for supplying the summit level. With this view it was contemplated to increase the capacity of the lower reservoir on the south fork, and if practicable to convey the upper branches of Cedar creek into it by a suitable feeder of catch water line. Preliminary surveys were made to determine the feasibility of making these branches available, and resulted in the determination of the fact, that they could be taken in at points low enough down to leave a considerable area of country above, the drainage of which could be conveyed to the reservoir. Accordingly a feeder line was located on this route, extending far enough to take in the several branches designated by the names of "Black creek," "Little Cedar," and the east and west branches of the "West Fork." The entire length of this feeder will be 18 miles, it will be 6 feet wide at bottom from the west branches to Little Cedar; 15 feet thence to the Sycamore branch of Little Cedar; and 20 feet wide at bottom thence to the reservoir. It is designed to have a descent of 0.888 foot to the mile throughout. A survey was next made of the country, the drainage of which would be caught by this feeder, and the area was found to be 23,424 acres.

Having ascertained to what extent these upper branches of Cedar creek could be used in supplying the summit level, our operations were then directed to the lower or Spy run level, with a view of determining the available resources for supplying the second section of the line. Preliminary to commencing the locations of feeders and reservoirs, agreeably to your instructions, some examination was made to test the practicability of getting a more easterly route across the Eel river marshes, avoiding the deep cut encountered on the old line, in passing over to the Spy run valley: an important object in this examination being to obtain a route on which a lower level could be adopted, which would tend to increase the available supply of water. It is to be regretted that no feasible route could be found in the direction pointed out by your instructions, and consequently the level could not be *lowered*: on the contrary, I found on making comparative estimates, that with a view to economy, the level should be raised as much as two feet—a change was made accordingly, and the feeders and reservoirs located to correspond with the higher level. The valleys of Week's branch, Black creek, and Little Cedar were then examined, with a view of obtaining eligible sites for reservoirs. These surveys were first directed agreeably to the plan suggested in your instructions, which was to make a series of reservoirs in the valleys above named, regularly rising one above the other; the reservoir nearest the canal being the lowest, and the most distant the highest. Upon this plan the surface of the first reservoir, that in Weeks' branch, would be 15 feet above bottom of canal, giving 11 feet available depth of water; the second, that on Black creek, would be 27 feet A., giving 12 feet available: and the third, that on Little Cedar, 29 feet A. giving 12 feet available depth of water at the bulk head.

After the surveys of Weeks' branch and Black creek reservoirs had been made, facts were ascertained so unfavorable to the original plan, that I felt myself authorized to make a material change in it. The facts developed, deemed unfavorable to the adoption of the original plan, were these: 1st, the reservoir on Weeks' branch, if made with a view to the greatest economy of water (that is with the greatest cubical content compared with the mean surface exposed to evaporation) would alone be large enough to control fully one half of the whole drainage. 2d. The area of the reservoir on Black creek would be very great compared with the depth, the area being about 600 acres, and the mean depth no more than $5\frac{1}{4}$ feet.

The plan which suggested itself as being best suited to the localities, and that upon which the estimates are predicated, is to make but one reservoir, and let it occupy both the valleys of Weeks' branch and Black creek, connecting the two by a short and cheap cut. Upon this plan the area flooded would be 1,185 acres, the greatest available depth 11 feet, and the content 356,814,000 cubic feet. Little Cedar would be brought into the Black creek branch of the reservoir by a feeder 1.87 miles long, which may be cheaply constructed. The feeder from Weeks' branch reservoir to the main line would be 3.42 miles long—it is intended to be 12 feet wide at bottom, and to have a descent of 0.222 foot to the mile. The whole area of country, the drainage of which may be controlled by the Weeks' branch and Black creek reservoir, was ascertained by survey to be 33,215 acres, *including* the area of the reservoir.

With a view to meeting contingencies, and in pursuance of your general instructions, it was deemed proper whilst the party was in this quarter to extend the surveys across to the main or Auburn branch of Cedar creek, to

test the practicability of taking in that stream. From these examinations it was found it could be taken in at Auburn, and that a cheap and *very safe* line could be obtained across to Little Cedar, there dropping into the head of the feeder designed to convey the water of that stream to the reservoir. The feeder line from Auburn would be ten miles long, and would probably command a drainage of 40,000 acres. No survey was made to ascertain it accurately.

The next examinations were made on Lewis' branch. This stream is crossed by the canal 1.60 miles below Port Mitchell. About $1\frac{3}{4}$ miles from the canal in nearly an east direction, it divides into two branches. The north branch, in its general direction runs nearly south-west, and the south branch a little north of west. On the north fork 4 miles above the junction of the two branches there is a lake containing 150 acres. A little above this again there is a lake containing about 30 acres. On the south branch $1\frac{1}{2}$ miles above the junction there is a small lake probably containing 30 acres, and above this there are some two or three other small lakes. The valleys of both these branches are narrow, not averaging more than 4 or 5 chains wide, and are bounded by high and precipitous hills. The large lake on the north branch was found to be 35 feet above bottom of canal, the surface of the creek, where it is proposed to make the dam for the reservoir 12 feet below bottom of canal, and the little lake on the south branch 14.50 feet above bottom. From the cursory examinations made of this stream, it would seem that the proper plan is to make a dam across the valley at a point 1.27 miles above the canal, and raise the surface of the reservoir to 27 feet above the bottom of canal. This would flood a mean area of about 250 acres and give a content of 150,000,000 cubic feet.

The area of country drained by this creek was ascertained to be about 9,700 acres. It will be recollected that accurate surveys were not made to ascertain the data in relation to this stream; the season having been far spent before the examination was commenced, our time was too limited to admit of it. It is, however, believed the results put down will be fully realized. The feeder from the reservoir to the canal will be 1.27 miles long, and is intended to be 6 feet wide at bottom. It is located on the north side of the valley.

Surveys were made to ascertain accurately the area of country that inclines towards, and the drainage of which would be caught respectively by the lower and upper south fork reservoirs. It was ascertained that there were 6,191 acres inclined towards the lower south fork reservoir, exclusive of its area; and 4,673 acres towards the upper also exclusive of the area of the reservoir.

Previous surveys having determined that the cluster of lakes, known by the names of Wolf, Bear, and High lakes, could to some extent be made available for supplying the canal with water, and feeder lines having been located, both from Wolf lake to the main line and across to Tippecanoe lake, nothing remained to be done but to survey the area of country draining into these lakes: This was ascertained to be 8,770 acres exclusive of all the lake surfaces.

The drainage from Tippecanoe would be turned into High lake by building a dam across the outlet of Tippecanoe lake, and cutting a feeder across to the former lake. This feeder may be so located as to be very cheap of construction. Its length will be two miles. From Wolf lake, the feeder to the main line pursues a north-east direction to Port Mitchell, on its present

location, but it may be located in nearly an east direction, intersecting the main line near Elliott's mill. As located, it is 4.61 miles long—is intended to be 12 feet wide at bottom, and will have a descent of two feet in its entire length.

The cluster above designated by the names of Wolf, Bear, and High lakes, contain about 540 acres, and their surfaces were ascertained to be about 6 feet above bottom of canal at low water. It is proposed to convert them into a kind of regulating reservoirs, by damming up their outlet and permitting the water to rise from $1\frac{1}{2}$ to 2 feet (which would retain a considerable portion of the winter drainage) after which it could be drawn off to fill the canal and to diminish the demand, as far as may be, on the reservoir after navigation shall have commenced in the spring. These lakes by no means present a favorable site for a reservoir, and they are only adverted to as a contingent resource. The same remark may also be made in relation to Tamarac branch.

An examination was also made, with a view of ascertaining to what extent Tamarac branch (which is crossed by the Middle fork feeder 2 miles below the reservoir) could be made available. The plan suggested, is, to give sufficient height and strength to the berm bank of the feeder line, to make it answer for the dam of the reservoir, providing suitable culverts or head gates for drawing off the water.

The mean area of this reservoir was found to be 397 acres, which at the contemplated depth at the bulk head, 4 feet, would give a content of 66,480,000 cubic feet. The area of drainage may be assumed at 4,740 acres; no survey having been made to ascertain it with accuracy.

In addition to those already described, surveys were made of the lower Middle fork, the lower South fork, and the upper south fork reservoirs. The lower Middle fork reservoir has an area of nine hundred and eighteen acres; the surface of the water is to be raised to 20 feet above bottom of canal, and the whole content of the reservoir is estimated at 496,774,312 cubic feet. The whole area of drainage into this reservoir is assumed at 36,200 acres. Time did not admit of an accurate survey being made.

Since the area and cubical content of the lower Middle fork reservoir were found so great, it was presumed to be unnecessary to make any surveys in relation to the upper one in this valley.

The lower South fork reservoir has an area of 900 acres, is intended to be raised to 12 feet above bottom of canal and will have a content of 284,994,128 cubic feet. The upper south fork reservoir has an area of 327 acres. It was contemplated to raise the surface to 31 feet A, which will give a content of 150,176,382 cubic feet.

Estimates are herewith presented of all the lines and reservoirs described, except the middle and upper South fork reservoirs: these two being under contract, their cost at contract prices has already been reported.

Our field operations were not closed until the 25th of November. The only apology I have to offer for having been so long in the field, is that the surveys were of a complicated nature, involving the necessity of running a great number of experimental lines before proper locations could be made. Perhaps I can the better convey an idea of the extent of these surveys by stating the fact that their aggregate length is no less than 365 miles. For further particulars and a general view of the lines and reservoirs, I beg leave to refer to the accompanying tabular statements, and the map which has been deposited in your office.

All of which is respectfully submitted,

WM. J. BALL, Eng'r.

TABULAR STATEMENT, showing the area of drainage into each reservoir, the area flooded in acres, the mean area in square feet, and the cubical content of each reservoir in feet; together with the available depth at the bulk head; also also showing the length of feeders to and from the reservoirs.

Names of Streams.	†Area of drainage. Acres.	Area of Reserv'r. of reservoir	Mean area of reservoir	Content of reservoir.	Available depth of feeders to and from reservoir in miles.		Remarks.
					at b head	Feet.	
Middle and North Forks, Lewis's Branch, Lower South Fork, Drainage of up'r br's Cedar cr Do. country surrounding res'r,	36,200 9,700 *23,424 *6,191	918 400	38,848,464 10,890,000	496,774,312 150,600,000	16 23	From 9.49 To 3.67 1.27	*Obtained by actual survey. †Area of drainage is put down exclusive of the area of reservoir.
Total, Upper South Fork, Week's br. & Black cr. res'r Tamarac branch,	29,615 *4,673 32,030 4,740	900 327 1,185 450	39,000,000 13,429,090 49,141,000 16,988,400	284,994,128 150,176,382 355,814,000 66,480,000	8 25 11 4	18.00 3.42 1.87	

TABULAR STATEMENT of the cost of Feeders and Reservoirs.

Designation.	Length of Feeders and Area of Reservoirs.	Estimated cost.	Remarks.
	miles and acres	Dolls. and cents	
Lewis' branch,	400	20,380 00	
<i>Feeder,</i>	1.27	3,866 71	
Lower S. Fork reservoir,	900	27,815 00	
<i>Feeder,</i>	18.00	102,798 97	
Tamarac branch,	450	9,635 80	
Wolf Lake Feeders;			
1st, From Lake to M. line,	4.61	32,598 92	
2d, From High lake to Tip- pecanoe Lake,	2.00	6,127 26	
Week's branch and Black creek reservoir,	1,185	22,555 65	
<i>Feeders,</i>			
1st, From res'r to M. line,	3.42	14,702 16	
2d, From L. Cedar to res'r,	1.87	10,886 00	

REPORT
OF THE
FUND COMMISSIONERS,
RELATIVE TO
THE SALE OF STATE BONDS.

JANUARY 30, 1840.

Read and laid on the table and 100 copies ordered to be printed.

OFFICE FUND COMMISSIONERS,
Indianapolis, 30th Jan. 1840.

The following resolution of the Senate of the 21st instant has been this day communicated to the Fund Commissioners:

Resolved, That the Fund Commissioners be requested to inform the Senate whether any state bonds have been sold by them for internal improvement purposes, since the adjournment of the last session of the legislature, to *citizens of Indiana?* if so to whom, to what amount and upon what conditions?

It is thought the enclosed copy of a contract with sundry citizens of Madison will afford the desired information. The undersigned would add that he has been informed that a part of the bonds, say \$100,000 have been sold by the Agent of the Madison Company in New York.

Very respectfully,

L. H. SCOTT, F. C.

MEMORANDUM OF AN AGREEMENT,

Made and entered into this 19th day of Oct. 1839, by and between Milton Stapp, and Lucius H. Scott, Fund Commissioners of the state of Indiana, of the first part, and William Hendricks, John Woodburn, George W. Leonard, Victor King, and John King of the second part, witnesseth:

That the said party of the first part have this day sold to the said party of the second part, Indiana State Bonds to an amount not exceeding four hundred and fifty-five thousand dollars of the Indiana five per cent. state stocks, under the act entitled, "an act for the further construction of the Madison and Indianapolis Rail Road, approved February 6th, 1839," at and for the sum of eighty-eight dollars to the hundred dollars of state bonds—the sums to be paid by the party of the second part, to be laid out and expended under the directions of the Board of Internal Improvement on said Rail Road: said bonds to be delivered to said party of the second part in the city of New-York on or before the 10th day of December next. And the said party of the second part agree and bind themselves to make payment to the said party of the first part, in bank paper current in ordinary business transactions of the State of Indiana at the time of payment, in instalments as follows, to-wit: On or before the first day of March 1840, the one sixth part of the amount so sold; on or before the first day of May 1840, a like sum of one sixth part of the amount so sold, and so on one sixth part every two months until the whole shall be paid, so that the last payment shall be made on or before the first day of January 1841. The payments to be made in Madison, Indiana; and if any payments shall at any time be made before due, interest thereon shall cease.

And the said party of the second part further agree, that they will make their promissory notes to the said party of the first part for the payment of the sums as above mentioned, and have the same guarantied by the Madison Savings Institution and the Madison Insurance Office, to be delivered to the Fund Commissioners so soon as this contract is consummated, and it is further agreed, that if no satisfactory arrangement can be made by said party of the second part with the Comptroller of the State of New York, on or before the 1st day of January next, on the usual terms of accepting said bonds of similar character, as heretofore, as the basis of circulation under the free banking law of that State, at the rate of from \$85 to \$100; or if no other satisfactory disposition can be made by said party of the second part, then the said party of the second part will not be bound to take said bond or confirm said contract. It is further agreed, that the said party of the second

part shall pay six per centum per annum interest on all sums of their contract remaining unpaid from the first day of January next until they make payment, and that the said bonds shall bear and interest of five per centum from the said first day of January next.

Witness our hands and seals this 19th day of October, A. D. 1839.

Signed,

MILTON STAPP, F. C.	[seal.]
L. H. SCOTT, F. C.	[seal.]
WILLIAM HENDRICKS,	[seal.]
JOHN WOODBURN,	[seal.]
GEORGE W. LEONARD,	[seal.]
V. & J. KING,	[seal.]

REPORT
OF THE
FUND COMMISSIONERS,
IN ANSWER TO
A RESOLUTION OF THE SENATE,
RELATIVE TO
INTEREST ON STATE BONDS.

FEBRUARY 3, 1840.

Referred to committee on ways and means, and 200 copies ordered to be printed.

OFFICE FUND COMMISSIONERS,
Indianapolis, January 31, 1840.

The following resolution has been referred to the Fund Commissioners:

"Resolved, That the Board of Fund Commissioners be requested to inform the Senate what amount of interest will be due on all State Bonds now sold during each year until all the payments deferred in conformity with arrangements entered into with our eastern debtors are made to the State, specifying the amount of the different payments in each year, as well as the yearly aggregate."

In reply to the above interrogatory I have the honor to inform the Senate that the whole amount of bonds sold for all purposes is nine millions five hundred and sixty-five thousand dollars, exclusive of the \$455,000 conditionally sold to the citizens of Madison—and also ex-

clusive of the one million bank loan negotiated by the President of the State Bank. The annual interest upon this sum is \$179,200. It is provided for as follows--of the above amount there is paid by the Bank

	\$69,500
By the Lawrenceburgh and Indianapolis Rail Road Co.	11,050
By the Sinking Fund Com'rs Surplus Revenue	14,700

Making \$95,250

Leaving a balance of \$383,950 per annum to be provided for by the State. To this sum is to be added the exchange upon that part payable in London, say about \$9,000 annually. The debts due in New York, if nothing accrues to prevent their collection, may be made to aid the revenue of the State in these payments, but they are too uncertain to rely upon with much confidence even were it not the settled policy of the state "not to borrow money to pay interest on borrowed money." I have no hesitation in saying, from my knowledge of the condition of the State, her finances and resources, that the only safe reliance for the payment of our interest and the protection of the faith and credit of the State, is the assessment and collection of a revenue sufficient for that object.

Respectfully submitted,

L. H. SCOTT, F. C.

J. H. CRAVENS' REPORT

FROM THE

MAJORITY OF THE SELECT COMMITTEE

TO WHICH HAD BEEN REFERRED MR. CALHOUN'S BILL, AND SO MUCH OF
THE GOVERNOR'S MESSAGE AS RELATES TO THE PUBLIC LANDS.

IN SENATE OF INDIANA,

FEBRUARY 6, 1840.

Read 1st and 2d times, laid on table, and 1000 copies ordered to be printed.

MR. PRESIDENT—

A majority of the select committee to which was referred a bill entitled "A bill to cede the public lands within the limits of the new states on certain conditions therein mentioned," introduced into the Senate of the United States, January 3d, 1840, and also a resolution of this Senate referring so much of the Governor's message as relates to the same subject to said committee, have had the subject matter of those two references under consideration, and would respectfully submit the following report containing the facts and arguments which have brought them to the conclusion that the measure proposed by the bill of Mr. Calhoun is not the best that should be asked and expected for Indiana.

The proposition is to surrender to the States the land within their limits, on these conditions:

1st. They are to pay to the United States annually one-half of the amount of the gross sales.

2d. The minimum price is not to be changed until after the 30th June 1842; then the States *may* reduce the price of the unsold lands, thus: those that have been in market ten years and upwards to \$1 00 per acre; 15 years and upwards to 75 cents per acre; 20 years and upwards to 50 cents per acre; 25 years and upwards to 25 cents per acre; and all that have been in market 30 years and upwards are to be ceded to the States.

3d. The lands not yet offered are first to be offered at public sale, and all sales are to be for cash.

4th. The cession to be in full for all claim for the 5 per centum not already accrued, and the States are to be "*exclusively liable for all charges that may hereafter arise from the surveys, sales, and management of the public lands and extinguishment of Indian title within the limits of said States respectively.*"

Now, first let us obtain a clear view of what the State of Indiana will obtain by this grant, and then what she will lose by it in a money point of view. On the 1st September 1838, there remained unsold of the public lands in Indiana, acres - - - 5,120,273

Sold during the three first quarters of the year ending 1st September 1839 - - - 522,280

Leaving unsold - - - 4,597,993

Add thereto the Miami reserve - - 696,960

Deduct 16th sections - - 19,360

Leaving 677,600

Leaving - - - 5,275,593

Deduct W. and E. canal lands yet coming to the State 385,000

Leaving - - - 4,890,593

The cession, it will be remembered, is not to take place until the 30th June 1842, which, from 1st September 1839, will make a space of two years and eleven months, say three years; and if the sales of the public lands shall average what they have done in the first three quarters of the present year, there will, in that space of time, be sold in Indiana over 1,800,000 acres, say it will be 1,500,000 acres; which, considering that the past year has been one of severe embarrassment, and that in the above time it is most likely the Miami Reserve will come into market, is surely not out of the way; and the account stands thus:

Lands at present *unsold*, acres - - 4,890,593

Probable sales before cession takes effect - - 1,500,000

Leaving acres - - - 3,390,593

Making allowances for all contingencies, and for the sake of round

numbers, call the whole amount 3,500,000 acres, which at \$1 25 cents per acre would make \$4,375,000. But it is well known that a very large portion, more than half of the present unsold lands in Indiana are miserably refuse, and will not sell but at the lowest price, and therefore it is not probable that the amount realized will average more than 75 cents to the acre, making the sum of \$2,625,000 as the gross receipts. One half of this is to be paid to the United States, leaving to Indiana \$1,312,500. Out of this sum is to be paid all the expenses of survey and sale and cost of extinguishing the Indian title. As to the last item the act seems uncertain whether if the purchase of the Miami reserve takes place after the passage of the act and before the 30th June 1842, the State is to be made liable for the cost. The term, "*hereafter*," would seem to imply from the passage of the act; but leaving that out of the question, there remains the expense of survey and sale to be unquestionably borne by the State. The expenses of the land offices in Indiana for the last year average about 3½ per centum on the proceeds of sale; what those of survey were, or will be, we have no data, but will suppose that the whole will amount to 5 per cent., and 5 per cent on \$3,500,000 is \$175,000, which is to be borne by the State, and comes out of her half, thus:

One half gross proceeds coming to State . . .	\$1,312,500
Deduct 5 per cent. on gross sales (3,500,000) is . . .	175,000

Leaving as nett proceeds, (allowing nothing for extinguishment of Indian title) \$1,137,500

The next question is, when will this sum be realized? Certainly not all of it in less than ten years from this time.

On the other side must be shown what the State gives up, surrenders, and loses by the operation.

1st. The State surrenders all right to further land for the continuation of the Wabash and Erie Canal. This claim is considered worth 335,000 acres, which, at \$1 25 cents per acre, (and the lands selected are worth that,) will bring \$481,250. It is considered that the State gives up this claim if the terms of the act referred to are accepted; for then the General Government would have no lands remaining in the State to pay it.

2d. We are required by Mr. Calhoun's plan to give up the 5 per cent. Three per cent of this would be payable to the state, which, on the sum of \$3,500,000, would be \$105,000.

3d. As the state is required to give up all claim to the 5 per cent., and is released expressly from the contract forbidding the taxation of the lands of the United States, which was the principal consideration for that grant, it is presumed that all hope may be abandoned of any further expenditure by the U. S. Government on the national road. For it is well known that the only pretext upon which western men advocate the continuance of that road is upon that contract. Although the 2 per cent. reserved has long since been expended, yet the spirit of the contract was that the General Government should make a road to the State of Indiana, and so with the other western states, and if

she failed to reserve a sum sufficient it was her own fault. As well might the state have contended (as some have done) that her agreement to refrain from taxing the lands of the United States was too grievous, and the greatness of it not duly estimated. All prospect, therefore, of the completion of this road by the United States would be at an end by an acceptance on the part of the State of Mr. Calhoun's bill. What that road would cost to complete it within our state, we have no precise knowledge, not less, however, than \$2,000,000, and thus in this one item alone the state would lose more than the whole sum she would gain by Mr. Calhoun's bill.

4th. The acceptance of this grant would also most likely prejudice all future claims of the western states for appropriations to clear out and remove obstructions to the navigation of our rivers.

These are some few of the probable disadvantages of the contemplated cession, and none can compare them with the advantages offered in Mr. Calhoun's bill without greatly questioning the propriety of accepting it, if nothing else were in prospective.

It may be said that there are incidental advantages attending its deservng of notice, such as the more speedy sale and settlement of the lands in Indiana by the power given the state to graduate and reduce the price.

The inquiry must be made, 1st, whether graduation would have the effect expected; and, 2dly, whether it might not be attended with greater evils. There is a regular and healthy demand for land, arising from the natural increase of population and from emigration. All beyond this is speculation, and should be avoided.

If Indiana *alone* should reduce the price of land, it would attract this natural demand to her borders, but as all the new states would likely do the same, the attention of purchasers would be divided as it now is, and Indiana would offer them no superior inducements over the less culled tracts west of her. Thus it is not to this natural demand that any sudden disposition of our soil can be made, and if it is therefore to be effected, it must be through the medium of speculation. We may then by a sudden reduction sooner dispose of our soil and yet not obtain settlement, and this is not desirable, for it should be the great object of all states having soil to dispose of to *unite sale and settlement*. Should the unoccupied territory pass into the hands of speculators at low prices, it would immediately be held up at higher ones, and thus drive the industrious poor from our state to find a home in more favored regions.

When considering this subject of *graduation* there is surely something due to the present landed interest of the state, by those who represent it here. What is to be the effect of a reduction of the price of the public lands such as that contemplated by this bill of Mr. Calhoun's? Can the great land holder of this country thus reduce the value of the national domain 1-5, 2-5, 3-5 and 4-5ths without bringing down the present value of landed estates in something like the same proportion? The value of the landed interest, in Indiana according to

the late assessments, is 65 millions of dollars. Suppose that the graduation proposed should affect this interest only 5 per cent. and it will amount to double the whole sum which the state is to gain from this bill. And no one who remembers the effect which a former reduction of the price of the public lands had on the real estate of the country, but must say that such an one as is contemplated must be far more injurious than to the extent we have supposed. Should such be the result it would amount to this, that we make the present land holders of the state the constituents of this general assembly pay a bonus of 3, 5 or 10 millions of dollars as the case may be, to invite settlers into our state. To avert this consequence the only way will be to reduce the price very gradually. And then we say settlement will not be made any faster than under the present arrangement, as no doubt all the other new states will act on the same principle.

Before we go further, it may be well here to inquire what prospect there is of the passage of this bill of Mr. Calhoun's.

If it really would confer the great and important benefits upon the new states which its advocates insist upon, it would do so undoubtedly at the expense of the old states, and cannot therefore, be expected to obtain their sanction. It is possible that in this age of *party*, some may go for it from party considerations, but there never can be enough obtained to carry it through both houses of Congress. Of this fact those who have got it up are well aware, and therefore it is that they can without loss make this *false* demonstration of favor towards the new states.

Graduation bills have time and again passed the Senate of the United States. The present and immediately preceding administrations have long professed this to be a favorite measure, yet with such overwhelming majorities in both houses of Congress, why is it that it has never become a law? For the simple reason that the *party* never intended it to become one. It was only kept in view to put down a rival measure, (directly to be noticed) *and to make political capital in the new states*. The old states of this confederacy have long been looking to the public domain with the hope of obtaining a distribution of the proceeds. They have sought to keep it together, and now when they are so much in want of assistance from the General Government, can it be expected that they will at once abandon their proportion of this patrimony to the new states. And if Mr. Calhoun himself goes for it with a *sincere* view to, and a belief in its adoption, it will be from the conviction that the United States will derive more clear money from the public lands under the operation of his bill than under the present system, and that therefore, instead of conferring a benefit on the new states, he is attempting to impose a burthen. Besides the objections that will be made to this measure by the old states, its gross inequality cannot make it generally acceptable to the new states. The portion allotted to Indiana would be double that of Ohio. Illinois would in like manner quadruple Indiana, Missouri, Arkansas and Michigan likewise.

The result would be that those states are to have the least benefit, who have borne the heat and burthen of the day.

The settlement of Michigan, Illinois, Missouri, Arkansas, Mississippi and Louisiana have been comparatively easy to that of Ohio and Indiana. They have endured no devastating wars, their homes have not been pillaged and destroyed, and their citizens massacred as ours have been, nor have they paid into the national coffers any thing like the sums of money that Ohio and Indiana have done; therefore, this measure of Mr. Calhoun's, so unequal in all its bearings, cannot be acceptable, especially to Indiana.

Neither is it believed that the measure proposed by Mr. Calhoun's bill is the best one for Indiana *that can be obtained*. It is too well understood to have been gotten up to put down another, and for us a much better one, and that is a *distribution of the proceeds of the public lands* on the plan of the bill which some years since passed both houses of Congress, and would have become a law but for the *refusal* of the President to return it to Congress after it had been submitted to him for his signature. That bill was passed (we are ashamed to say it) contrary to the votes of the new states who were to be so greatly benefitted by it. It was a measure of the old states and although it has since been smothered amid the contentions of parties, it has never been lost sight of, and now stands a fairer chance of success than ever before. *We now have an executive that dares not take the responsibility to veto it*, and many of the old states have been sending positive instructions to their Senators and Representatives in Congress to press it on the attention of that body. And it is no doubt these movements in its favor that have produced from its opponents this rival proposition of Mr. Calhoun's, in the hope of destroying it.

It is high time that the people of Indiana should look to this matter for themselves and trust to *politicians* no longer.

They may gather wisdom from their own experience. Once before this measure was laid before the General Assembly of this state, and then as now, the cry was raised in favor of "*graduation, reduction and donation*" in preference to *distribution*.

We were then told, (1832) "*it is not money Indiana wants—it is human souls filled with patriotism*," (see Mr. Lane's report, Journal of the House of Representatives, page 106.) and they were to be obtained by "*graduation, reduction and donation*."

We have lived to this time, 8 long years have passed over us, and notwithstanding that the *party* that raised this cry of "*graduation, reduction and donation*" have had full sway, yet we have never obtained either "*graduation, reduction or donation*" to settlers. But what have we lost, *not less than three millions of dollars*. For it appears from the official reports from the land office, that in the 5 years for which that bill was to continue, the distributive share of Indiana would have been \$2,600,000 *in money*. It also provided for her 115,000 acres of land to make her equal to Ohio, which at the price other selections then made were sold for, would have produced near \$500,000 more.

Had not our *politicians* cast this bounty from us, Indiana would not only have had her "*human souls filled with patriotism,*" but also her *three millions of good hard dollars.*

Again: It seems to us *this is* a favorable time to urge a "*distribution of the proceeds of the public lands.*" It will not now be denied that Indiana wants money as well as "*human souls,*" and we find most of the states of this union in the same predicament, and therefore there is every reason to hope and believe that they will manfully struggle to obtain from Congress what they so much need. Several of the most powerful states have already made the call and others are preparing to do the same, and shall the constituted authorities of Indiana remain idle.

It is believed that this mode of distribution affords the most favorable terms to the new states, of any proposition that has been advanced. While it does ample justice to all, the allowance in the first place of 12½ per cent. of the amount of sales within their borders is a gratuity of much importance to those having large quantities of land yet undisposed of and evidences a great degree of liberality on the part of the other states having so great a preponderance of power. To the nation at large the effect of such a distribution must be to restore at once credit and confidence by relieving the several states from their present heavy burthens. While by taking this sum from the national treasury, we compel those at the helm of affairs to *restrict* still more the extravagance in which they have too long indulged. Some 20 or 30 millions will remain from the customs, and that this land office money is therefore unnecessary, will surely not be denied by those in power, when they are the men who a few years ago so loudly declared that the expenditure of 12 or 13 millions of dollars per year was too much, *aye* extravagant.

The benefits to Indiana may be easily calculated. Taking the sales of the past year for our guide, and that it will be remembered was a year of great pecuniary distress, we find the sales for the first three quarters to have been in Indiana 522,280 acres, producing in amount \$653,421. In all the states were sold in the same time 3,771,994 acres, producing \$4,766,852. To suppose the remaining quarter of the year would average a proportionate amount and it will make the sales in Indiana for the year equal to \$871,228, and in all the states \$6,355,569.

The proportion coming to Indiana will be for the 12½ per cent. \$105,380, dividend of the balance being 1-34th part, is \$163,562. Total \$268,942, *nearly enough to pay every cent of our tax for internal improvements,* and which in five years time will produce to the state as much money as Mr. Calhoun's plan would in ten years.

And while on his plan the whole fund will be exhausted in that short time, on the distribution plan it will be accruing for generations yet to come. The public lands within the States and territories yet unsold, amounting to over 225,940,081, and beyond the states and territories to 766,000,000 of acres. All of these facts may be ascertained by referring to the report of the Secretary of the Treasury of the Uni-

ted States, Dec. 26, 1838—House document, No. 46, third session of 25th Congress.

Believing that there cannot exist a doubt as to which is the best plan for Indiana, we submit the following joint resolution to the consideration of the Legislature.

Be it resolved by the Senate and House of Representatives of the State of Indiana, That our Senators and Representatives in Congress be requested to urge a distribution of the proceeds of the public lands to be made among the several states of this confederacy in proportion to their population, first allowing to the states in which the lands lie 12½ per cent. on the amount sold within them respectively.

CRAVENS,	} Democratic Whigs.
BAIRD of St. Joseph,	
EWING of Allen,	
BLAIR,	
MOUNT,	
BOWEN.	

The following gentlemen, being Van Buren Democrats, dissented from the foregoing report of the majority of the committee, to-wit:
Messrs. FINCH, WRIGHT, TANNEHILL, LANE, and CATHCART.

MR. CALHOUN'S BILL.

IN SENATE OF THE UNITED STATES.

JANUARY 3, 1840.

Agreeably to notice, Mr. Calhoun asked and obtained leave to bring in the following bill; which was read twice, referred to the committee on Public Lands, and ordered to be printed.

A BILL

To cede the Public Lands within the limits of the new States, on certain conditions therein mentioned:

Be it enacted by the Senate and House of Representatives of the U. S. of America in Congress assembled, That all the public lands within the states of Alabama, Mississippi, Louisiana, Arkansas, Missouri, Illinois, Indiana, Ohio, and Michigan, with the exceptions of the sites of fortifications, navy and dock yards, arsenals, magazines, and all other public buildings shall, after the thirteenth day of June, eighteen hundred and forty-two, be ceded to the states within the limits of which they are respectively situated, they having previously complied with the following conditions:

First, That the said states shall severally pass acts, to be irrevocable, that they will annually pay to the United States fifty per cent. on the gross amount of the sales of such lands, on or before the first day of February of each succeeding year.

Secondly, That the minimum price, as now fixed by law, shall remain unchanged until the thirtieth day of June, aforesaid; but after that period the price may be reduced by the states respectively, according to the following scale; all lands theretofore offered at public sale, and then remaining unsold ten years or upwards, preceding the thirtieth day of June aforesaid, may be reduced by said states to a price not less than one dollar per acre; and all lands that may have been offered at public sale, and remaining unsold fifteen years or upwards, preceding the said thirtieth day of June, eighteen hundred and forty-two, may thereafter be reduced by said states to a price not less than seventy-five cents per acre, and all lands that may have been offered at public sale, and remaining unsold twenty years or upward,

preceding the said thirtieth day of June, eighteen hundred and forty-two, may then be reduced by said states to a price not less than fifty cents per acre: and all lands that may have been offered at public sale and remaining unsold twenty-five years or upwards, preceding the said thirtieth day of June, eighteen hundred and forty two, may thereafter be reduced by said states to a price not less than twenty-five cents per acre; and all lands that may have been offered at public sale, and remaining unsold for thirty years or upwards, preceding the said thirtieth day of June, eighteen hundred and forty-two, shall be ceded immediately to the states in which said lands are situate: *Provided*, That all lands which shall remain unsold after having been offered at public sale for ten years, and which do not come under the above provisions of graduation and cession aforesaid at the respective periods of ten, fifteen, twenty, twenty-five, and thirty years after said sale, commencing from the expiration of ten years after the same had been offered at public sale.

Thirdly. That the lands shall be subject to the same legal subdivisions in the sale and survey as is now provided by law, reserving for each township the sixteenth section, or the substitute, as heretofore provided by law; and the land not yet offered for sale, shall be first offered by the state at public auction and be sold, for cash only, in the manner now provided by law. And any land now or hereafter remaining unsold after the same shall have been offered for sale at public auction, shall be subject to entry for cash only, according to the graduation which may be fixed by the states respectively, under the provisions of this act; and that the acts of Congress which may be in force at the time of assenting to this act, shall remain unchanged, except as modified by this act, unless with the assent of Congress.

Fourth. This cession, together with the portion of the sales to be retained by the states respectively, under the provisions of this act, shall be in full of the five per cent. fund, or any part thereof, not already accrued to any state; and the said states shall be exclusively liable for all charges that may hereafter arise from the surveys, sales, and management of the public lands and extinguishment of Indian title within the limits of said states respectively.

Fifth. That on a failure to comply with any of the above conditions, or a violation of the same, on the part of any of the said states, the cession herein made to the state failing to comply with, or violating said conditions, shall be thereby rendered null and void; and all grants or titles thereafter made by said state, for any portion of the public lands within the limits of the same ceded by this act, shall be, and are hereby declared to be, null and void, and of no effect whatever.

SEC. 2. *And be it further enacted*, That whenever the President of the United States shall be officially notified that any of the states aforesaid has passed an act in compliance with the above conditions, it shall be his duty, after the thirtieth day of June aforesaid, or forthwith after the passage of said act if passed subsequent to that period, to adopt such measures as he shall think proper to close the land offices, in

cluding the surveying department, within the limits of said state; and that the commissions of all officers connected therewith shall expire on a day to be fixed by him, but which day shall not be beyond six months after the thirtieth day of June aforesaid, or if subsequent thereto, from the day he received the official notification of the passage of said act.

SEC. 3. *And be it further enacted,* That on such notification being made, the said state shall be relieved from all compacts, acts, or ordinance, imposing restrictions on the right of said state to tax any lands by her authority subsequent to the sale thereof, ceded by this act; and all maps, titles, records, books, documents, and papers in the general land office at Washington, relative to said lands, shall be subject to the order and disposition of the Executive of said state.

SEC. 4. *And be it further enacted,* That all lands of the United States within the limits of the state of Tennessee, with the exceptions enumerated in the first section of this act, shall be and the same are hereby ceded to said state,

REPORT

OF

FUND COMMISSIONER,

RELATIVE TO

**DEBTS DUE THE STATE OF INDIANA FROM MORRIS
CANAL AND BANKING COMPANY.**

FEBRUARY 7, 1840:

Read and 300 copies ordered to be printed.

**FUND COMMISSIONER'S OFFICE,
Indianapolis, Feb. 7, 1840.**

HON. DAVID HILLIS,
President of the Senate:

SIR: Please lay the enclosed communication before the Senate.

Very respectfully, your obedient servant,
MILTON STAPP, F. Com'r.

OFFICE BOARD FUND COMMISSIONERS,
Indianapolis, Feb. 7th, 1840.

To the Hon. Senate and House of Representatives
of the State of Indiana,

The undersigned, fund commissioner of the state, begs leave to report,

That on his arrival in the city of New-York in December last, and after having made arrangements for the payment of the interest due on the 1st of January on the state bonds, he gave his undivided attention to the debts due from the institutions in New-York to the state of Indiana; and that on looking into the affairs of the Morris Canal and Banking Company, he found that institution in possession of a large amount of stocks of various kinds, which with the general depression of the stocks in the country, shared the same fate and could not be sold except at such rates as would be ruinous to the institution to which they belong; that a large amount of our own five per cent. stocks which had been purchased by them at par were hypothecated at an advance of eighty per cent., and could not at that time be sold for any thing like the amount received on them, and that the only present available means, that the institution possessed for the payment of their debts, which could be spared without interruption to their business transactions, were certificates of deposite in the North American Trust and Banking Company in the city of New-York.

To get hold of as many of these certificates as I could, and to change the character of their debt from that of an ordinary one, to that of a post note indebtedness, so as to insure payment when due, became my chief object in negotiating anew with this institution; which negotiation has resulted in a settlement that I feel confident will insure the payment of their whole debt to Indiana within the time agreed upon.

The debt of this institution to the State of Indiana, including interest to the 1st of January, 1840, was	\$854,364 43
Of which they paid in cash on that day	36,566 09

Leaving a balance due to the state of	817,798 34
On which they gave me certificates of deposite of the North American Trust & Banking Company as follows:—	

Due the 1st of October next	\$70,000	
Due the 1st of January next	196,000	
	—————	266,000

And their own post notes as follows—

Due 1st of April, 1841	70,000	
do July, “	70,000	
do Oct. “	70,000	
do Jan. 1842	70,000	
	—————	280,000
		————— 546,000 00
Leaving		————— 271,798 34

Which stands as an ordinary debt to the state and is to be paid by contract in equal payments on the 1st days of January, March, May, July, September and November 1841; provided that if state stocks are not selling at reasonable rates such as Indiana lives at par at the time their last debts become due. The institution has a right to renew them for twelve months, giving further security and paying interest.

By the contract, the interest which will be due on this debt is to be paid on the 1st days of July and January in each year, and for the interest due for 1840, I hold the post notes of the institution as follows:

Due 1st July, 1840	24,533 95	
Due 1st January, 1841	24,533 95	
	<hr/>	49,067 90

As collateral security for the payment of the foregoing debts, the institution has transferred and delivered to me, debts and securities as follows:

1st, A judgment against the Long Island Rail Road Company, for	60,000
2d, Harlem Rail Road 7 per cent. bonds	36,000
3d, 5,000 shares of the par value of fifty dollars Beaver Meadow Rail Road stocks	250,000
4th, 1,600 shares of the Little Schuylkill & Susquehanna Rail Road stocks	80,000
5th, A mortgage in conjunction with the State Bank, (left for record) for divers lots in Jersey City, said to be worth	300,000

These securities are said to be fully sufficient to indemnify the state, for the balance due, deducting the certificates of deposit of the North American Trust & Banking Company.

The debt of \$240,000, due from the Bank of Western New York, and Georgia Lumber Company, has been heretofore secured with all the property that it is prudent to take from the business transactions of those institutions without lessening their ability to pay us, and it is thought to be sufficient to secure the debt. These institutions have an agent in London for the purpose of negotiating a loan, on seven per cent. bonds and mortgages to meet this debt, and from letters recently received from him the prospect for realizing the same during the spring, is said to be very good.

The wounds I received in the upsetting the stage while on my way to New York, together with the difficulty of the passage to Buffalo and Detroit, prevented my going to those cities to look into the situation of the institutions indebted to us there; but a correspondence had with the officers of those institutions, satisfies me that these debts will be made certainly secure, (if they are not already so) or the bonds

bold will be returned. The most of the bonds sold to these institutions are in the comptrollers possession, and if not profitably employed by the institutions owning them, can be lifted by returning the bank notes issued on them, and from my knowledge of the character of the gentlemen concerned, I have no hesitation in saying that if nothing better to the interest of the state can be done, the bonds will be returned without loss to the state.

In examining into the situation of the institutions indebted to us, I cannot believe, that there will be finally any loss to the State in the sale of our bonds except the sale made to the Cohens, which still remains in doubt and uncertainty, as no one can possibly tell at this time, what will be the value of the property taken, in its liquidation.

In looking to the means to be raised during the present year from the institutions already indebted to us, for the purpose of paying contractors or to redeem treasury notes to be issued by the State I can only give an opinion from the best data before me, which may prove to be erroneous in the end. But from my knowledge of the ability of those institutions, and the arrangements made for meeting their liabilities in part at least, I cannot but believe that the amount which I shall put down for these purposes, will certainly be realized within the present year.

Premising then, that the General Assembly of the State will, in accordance with their views expressed in previous enactments, provide means for the payment of the interest due on our bonds without resorting to the loans made to construct our public works, I will state that the state may safely rely on payments during the year 1840 for the purposes above referred to:

1st. To be made by the North American Trust and Banking Company in eastern funds, (see above)	\$266,000
2d. Binghampton bank, eastern funds,	56,000
3d. Erie county Bank, western funds, including \$45,000 paid out in the month of January last	195,000
4th. Other banks in Western New York &c.	100,000

Making . \$617,000

In addition to which there is some probability of realizing the amount (240,000) due from the Western Bank of New York, and the Georgia Lumber Company.

All of which is respectfully submitted.

MILTON STAPP.

MR. CHAMBERLAIN'S REPORT,

FROM THE

MINORITY OF THE COMMITTEE

ON

CORPORATIONS,

TO WHICH HAD BEEN REFERRED THE BILL TO AMEND AN ACT INCORPORATING THE PERRYSVILLE AND DANVILLE RAIL ROAD COMPANY.

IN SENATE OF INDIANA,

FEBRUARY 8, 1840.

Read, laid on table, and 200 copies ordered to be printed.

Mr. Chamberlain, from the minority of the Committee on Corporations, made the following Counter Report:

Mr. PRESIDENT:

The majority of the committee on corporations, having reported back to the Senate a bill to amend an act incorporating the Perrysville and Danville Rail Road Company, and recommended its passage with a provision requiring a vote of two-thirds of the Legislature to amend or repeal said charter, the undersigned, the minority of said

committee, proposed to said committee so to amend said bill as to subject the act to amendment or repeal by a majority of the General Assembly; which amendment they now propose for the consideration of the Senate, and ask its concurrence therein.

The undersigned look with alarm upon the rapid progress in Indiana, of that pernicious species of legislation, which is covering the land with corporations, and crushing individual enterprise, and swallowing up the personal rights and liberties of the people.

Numerous are the instances in which corporations have been created, which are stronger than the constitution under which they have been brought into existence. On what principle of constitutional and republican liberty, can a corporation securing to a few individuals *extraordinary* privileges, also ask that these privileges shall be *exclusive* in their effect, and *perpetual* in their duration, while even the constitution under which this measure is adopted, may be amended or annulled at the pleasure of the people? Is it not enough that corporations which are in fact of themselves inconsistent with the genius of our political institutions, are clothed with privileges not enjoyed by the individual citizen, without also placing them as well in the *abuse* as the honest enjoyment of their peculiar privileges beyond the reach of the public will?

The undersigned congratulate themselves and the people at large upon the fact that the legislation of Indiana on this momentous subject, though increasing in amount, is evidently becoming more and more liberal, rational, and consistent with the rights of the people; that the principle of responsibility, is more clearly recognized than formerly, by denying to monopolies in most instances, either the right of perpetuity or of total exemption from liability for abuses of their powers, yet we are decidedly of the opinion that the liberties of the people are not secure, nor the spirit of the constitution preserved, unless corporations like individuals are made amenable to the public will, as lawfully expressed, and the law incorporating them and expressive of this will, be subject to repeal as it is made by the vote of a majority.

It is urged by the opponents of this principle, that it does not afford a sufficient guarantee of stability to ensure an investment of capital in corporations, or to secure the interests of stockholders to so great an extent as would otherwise be the case.

The undersigned deem no argument necessary to enforce the fact, which all experience makes self-evident, of the constant tendency of power to steal from the many to the few. To arrest, rather than accelerate this tendency, should be a fixed principle in the legislation of a popular government. And there can be no danger of the popular interference with the operations of any corporations, so long as they are not inconsistent with the public interest. Nor can there be a doubt that whenever this ceases to be the case, the public voice should be heard and the evil corrected.

In reference to the second branch of this inquiry we deem it only necessary to say, that we see no force in the argument that the granting

of extraordinary privileges to a corporation, is a reason why additional privileges and exemptions should be conferred.

The undersigned therefore, in conclusion, would urge upon the attention of the Senate, the importance of adhering rigidly, as a fixed principle of legislation, to the rule that laws creating corporations, shall, like all other laws, be subject to amendment or repeal by a majority of the General Assembly.

E. M. CHAMBERLAIN,
C. C. NAVE,
J. T. ELLIOTT,
J. F. CARR,
JOS. A. WRIGHT.

MR. CATHCART'S REPORT

FROM THE

MINORITY OF THE SELECT COMMITTEE

TO WHOM WAS REFERRED

MR. CALHOUN'S BILL,

AND SO MUCH OF THE GOVERNOR'S MESSAGE AS RELATES TO THE

PUBLIC LANDS.

SENATE, FEBRUARY 13, 1840.

Read, laid on the table, and 1000 copies ordered to be printed.

REPORT

From the minority of the select committee to whom was referred Mr. Calhoun's bill, and so much of the Governor's message as relates to the public lands:

MR. PRESIDENT—

The undersigned, a minority of the above mentioned committee, have had the subject matter which was referred to them by the Senate under consideration, and would respectfully state, while they agree with the majority of

the committee, that it would not comport with the interest of this state to embrace the profer made by Mr. Calhoun's bill, that they cannot concur in the whole train of arguments by which the majority sustain their position.

The first material error into which the majority have ignorantly or wilfully crept, is in the assertion that the "state surrenders all right to further land for the continuation of the Wabash and Erie Canal." It will no doubt be recollected that Indiana bases her right to these lands upon the provisions of the act of Congress of 1827. Does not it appear plain, that if we are entitled to these lands, that they must be *deducted*, from the lands upon which Mr. Calhoun's bill is intended to operate?

The majority in their recapitulation of losses which would accrue to the state by the adoption of this bill, enumerate the 5 per cent. fund, two thirds of which would be payable to the state, amounting to \$105,000, and neglected to state, as candor would seem to require, that the state would receive more than an equivalent, in the unrestricted right granted by the bill to tax those lands which have heretofore been exempted by her compact with the United States. Again, we cannot but refuse to concur in the sentiments expressed in third item of "loss" insisted on by the majority, wherein they *gratuitously* assume that we would lose \$2,000,000, the sum necessary to complete the Cumberland road in this state, should Mr. Calhoun's bill be adopted.

The act of Congress and our compact accepting the provisions thereof, under which the majority state the right of this state to that sum has arisen, guarantee "that five per cent. of the nett proceeds of the lands lying within said territory, &c. shall be reserved for making roads and canals, of which three-fifths shall be applied to those objects within the said state, under the direction of the legislature thereof, and two-fifths to the making of a road or roads leading to the said state under the direction of congress."

The majority say: "Although the two per cent. reserved has long since been expended, yet the spirit of the contract was that the general government should *make* a road to the state of Indiana;" and by the word "make" the majority seem to understand *complete*, and complete too, such a road as would cost over and above what had been expended, \$2,000,000 within our borders.

Is it not evident to every candid mind, that if the compact referred to binds the United States to *complete* the road upon which the *two per cent.* has been expended, that it also binds the state of Indiana to *complete* all those roads within her boundary upon which the *three per cent.* has been expended—a conclusion inevitable, and too absurd to live beyond its suggestion.

Again: If it was intended by the parties to the compact, that a road should be *completed*, why insert the sum limited to be expended thereon? Even was it admitted that the compact intended the completion of the road, where in that agreement do we find that it should be such a road as would cost more than the amount of the two per cent. fund, and have we not such a road already?

We would respectfully represent that in relation to the last mentioned item of "loss," that the majority have been fighting a man of straw nowhere to be found but in their own prolific imaginations, and we would not have answered it, were it not for reasons which shall be hereafter given.

By a careful reading of Mr. Calhoun's bill it will be found that though the right of taxation is restored to Indiana by it, that yet, all obligations now

binding upon congress *beyond the five per cent. fund*, of which the two per cent. fund constitutes a part, (all of which the majority state is expended long since,) to make or complete the Cumberland road, are left in full force, and if any such right exists as the majority states, *Calhoun's bill does not repeal it.*

The majority have also seen fit to "cook up" in the list of evils, to arise from the adoption of this bill, the following: "The acceptance of this grant would also most likely prejudice all future claims of the western states for appropriations to clear out and remove obstructions to the navigation of our rivers." Not a word can be found in the bill which even squints at such a conclusion.

Upon the abstract proposition of the policy of graduation of the price of the public lands, we totally differ from the majority. While we admit that such a reduction *might* be made, as to unsettle the value of the real estate owned by our citizens, yet we deny that the reduction contemplated in the bill before us would have that effect. We need not fear the purchase of these lands by speculators, our tax is and must remain so heavy, that lands unimproved cannot be held for speculation. A source of profit must be found in the improvement of wild lands, otherwise they must be consumed by taxation.

The graduation proposed by this bill is as follows: Lands which had been refused after having been in market ten years, may be reduced to \$1 00 per acre, and a further reduction of 25 cents per acre may take place at the periods of 15, 20, 25 and 30 years, at which time an absolute cession of the refuse is proposed to the states.

The simple question here arises, whether the value of any tract of land is enhanced most by being contiguous to an improved or unimproved tract?

The majority, in their opposition to the "graduation" feature of this bill, take strange ground—in one breath stating that it would be productive of a depreciation of the value of the farms of our citizens, and in the next, that these lands would *immediately* be held by speculators, at so high a rate as to "drive the industrious poor from our state to find a home in more favored regions."

We however suppose that the majority may naturally have been led into the foregoing false premises and deductions by the holy ardor with which they have attempted to ferret out the *false pretences* of the friends of this bill, and of the deceptive practices of a certain party who wish "to make political capital in the new states." Charity would dictate to us, that the unfortunate course of the majority as alluded to above, was produced more from a natural association of ideas than from the usual *innate cause*.

It devolves upon the minority to state why they are opposed to the adoption of Mr. Calhoun's bill. In doing so, we will not examine the constitutionality of the measure, as its inexpediency, as far as Indiana is concerned, is so evident that we feel relieved from that task.

The following estimates are founded upon a report of the Secretary of the United States Treasury, giving a statement up to 30th September, 1838 --premising, however, that the aspect of the case has most materially changed, and is changing daily unfavorably for Indiana, so that if the adoption of the measure would have been impolitic for us at *that time*, it will be much *more so* in 1842.

The aggregate amount of lands which would have been subject to the operation of this bill on the 30th September, 1838, acres,		116,401,689
Value at 75 cents per acre	\$87,301,267	
Deduct 4 per cent. cost of sale, &c.	349,205	
	<hr/>	\$86,952,062
One twenty-fourth part of this is about the proportion in which Indiana shares its benefits at present, that being about the share which she bears with the rest of the union in maintaining our federal government, amounting to		3,492,002
Calhoun's bill would give us our share 1-24th of the 1-2 of the gross sales in the same way as we would receive the last mentioned amount, being		1,818,776
Also, the one half of the proceeds from 5,964,220 acres, which at 75 cents per acre, amounts to		1,736,582
After deducting total cost upon selling 5,964,220 acres being the quantity in the state, which item, at 4 per cent., amounts to		238,568
	<hr/>	1,498,014
Balance, amount of loss to Indiana		<hr/> <hr/> 175,212

Thus, even at that date, we would have lost the last mentioned sum, but the unsold lands in this state have since decreased up to 30th September last, from 5,964,220 acres to 4,493,575, and must continue to decrease in something like the same proportion until June, 1842, leaving us then, in nearly the same situation, in reference to this bill with the old states.

In the meanwhile, the unsold lands in the *newer* states, owing to purchases continually making with the Indian tribes, will perhaps diminish but little.

The majority of the committee state, with how much truth it is not for us to say, that Mr. Calhoun's bill was gotten up to put down another measure. viz: "a distribution of the proceeds of the public lands;" but we do say if *that* was its object, that its intention was almost an *holy* one, so vitally prejudicial do we consider the last mentioned project to the integrity of the whole union, and so destructive to the interests especially of the agricultural states.

The majority of your committee say, that by the failure of Mr. Clay's land bill that Indiana has lost "not less than three millions of dollars."

This position of the majority is sustained by the usual imposing parade of figures which has ever characterized the advocates of this measure.

The champions of Clay's land bill, invariably bring forward these kind of statements, a course which should be stigmatised as it deserves, *as an attempt to bribe the people with their own money!*

Let us suppose in the first place, that the amount received into the Treasury of the United States is just sufficient from the duty on imports and sales of the public lands, to support the General Government, I would ask if the proceeds of the public lands were distributed, would not the deficiency in the treasury have to be made up by an increased duty on imports? most assuredly! and from whom would this amount be collected? of course from the consumers, *the people!* Thus whatever amount would be distributed, would be necessarily taken from the people, and whether the mode of collection be by direct taxation, or by an impost duty upon the imported commodities which we use, its effects would be the same, with this detrimental exception, *that the import duty enters into the price paid by the merchant upon which he charges his per centage of profit.*

Again, we will suppose that at present the customs alone are sufficient to support our general government, then would not an amount equal to any proceeds of the public lands which might be distributed, *be left in the pockets of the people,* by a corresponding reduction of the duty on imports?

Have we to learn at this day that an amount, be it great or small, which is levied from us by the operation of the duties upon those imported articles which we consume, by the process of going through the national treasury, is to be transformed into a gratuity?

Virtually, there is not, nor has not been any proceeds of the public lands received into the treasury, for be it borne in mind that the cost of the public domain has been \$112,000,000, and all receipts therefrom only \$104,000,000, leaving a balance due from the public lands to the customs of \$8,000,000.

The extra 12½ per cent. which is proposed by the bill, with which the majority of your committee appear so enamored, to the new states is viewed by them as a gratuity? Heaven save us from such gratuities!

As it has been seen that *whatever amount* is distributed must be raised by the collection of a corresponding amount by our imposts, and as it is well known that the merchants of Indiana charge the consumer a profit of at least 33 per cent. upon an average on foreign goods, it is as plain as the sun in the firmament at noon day, that while we would be receiving 12½ per cent. we would be paying 33 per cent. besides the unavoidable loss upon the collection and distribution of whatever sum that might be, subject to the operation of this favorite measure.

If the majority of the committee can see so much of *false pretences* in the course of the advocates of "Mr. Calhoun's bill" it is not to be wondered at, that we see in Clay's land bill, a nefarious attempt to bribe the people of these happy and free states, to the destruction of their blessed institutions, to trample their constitution under foot, and to bow to the Baal of a splendid central government, and that too by the exhibition of their own money in glowing sentences of millions!

Shame on the politicians who treat their fellow citizens with such a shallow appeal to their cupidity, and such a sovereign contempt for their intelligence!

What! shall the members of this hitherto happy confederacy, which the immortal apostle of democracy, Thomas Jefferson, stated was *one as to external affairs*, and composed of *many* independent sovereignties as to internal or local concerns, be reduced to the abject condition of pensioners upon the federal treasury?

Shall the several states of the union surrender in toto the highest attribute of sovereignty, that of taxation, to the general government?

It is no doubt recollected by all that in the debates in the conventions of the several old states now in part composing the union, that *no* subject was so much discussed, and parted with with so many anxious forebodings, as the power granted by the constitution, upon the adoption of which they were sitting, to the federal government, to lay and collect such taxes as might be necessary to the *general* necessities.

Yet what do we see in these latter days, not only a disposition to acquiesce in the action of this power of the general government for legitimate objects, but an attempt to make the United States government the collectors of revenue for the use of the state governments?

We would ask, where in the constitution of the United States, can be found a delegation of this power to the federal government? Echo answers, where!

What is to become of our boasted state rights, if we are to dwindle down into the condition of a people, whose resources are to be in charge of another power, and one we might call almost foreign, as to our *local interests*.

It must be remembered that the majority of your committee, who style themselves "democratic whigs," advocate the principle above alluded to, namely: the collection and distribution of money by the federal government for local state purposes. We trust we will not be considered unkind when we stigmatize that principle as one becoming and actually practised upon by Mr. Hamilton, who in this point at least, must share with them the name of a *democratic whig*!

The majority of your committee state in their remarks upon "Mr. Calhoun's bill" that "it is high time the people of Indiana should look to this matter for themselves, and trust to *politicians* no longer." In this sentiment we concur cordially, and only hope that it may be permitted to extend to a scrutiny of Mr. Clay's land bill.

The minority of your committee regret that while the majority seem to look with such holy horror upon *politicians*, that yet they have suffered themselves to be led away by a man who of all others is the most entitled to the character of a *mere professional politician*, to the support of a measure, which presupposes almost bestial ignorance on the part of the people as to their own interests, assumes a power not known to the constitution, and reduces the state governments to the degradation of federal pensioners!!!

Were it not that the majority of the committee, notwithstanding their professions to the contrary, have digressed with a view to "make political capital" we would feel that an apology would be necessary on our part for detaining the Senate so long.

While we are not disposed to sieze either horn of the dilemma, we must be indulged in reverting to the two distinctive features, which mark the course of the advocates of these two bills in the councils of the nation.

The one, the necessary increase of federal officers, consequent upon an increased collection of federal revenue, the other the entire lopping off of an extensive arm of federal patronage, the land office organization. The one the favorite of Alexander Hamilton, the other of Thomas Jefferson.

The majority of the committee clearly advocate "the assumption of the debts of the states by the general government, to an amount equal to the

gross value of the public domain," upon which subject we would earnestly, but most respectfully suggest to our fellow citizens, the careful perusal of the late speech of Mr. Benton in the Senate of the United States.

We cannot but regret that the lateness of the hour in the session, precludes the possibility of our treating the important subjects referred to your committee with that care which their magnitude would seem to require.

All of which is respectfully submitted.

CH. W. CATHCART,
JOSEPH A. WRIGHT,
JOSEPH LANE,
A. FINCH,
Z. TANNEHILL.

REPORT

OF THE

PRESIDENT OF THE STATE BANK,

IN ANSWER TO A RESOLUTION OF SENATE.

FEBRUARY 18, 1840.

Laid on the table, and 500 copies ordered to be printed.

OFFICE OF THE STATE BANK OF INDIANA,
Indianapolis, February 17, 1840.

*To the Honorable,
The Senate of the State of Indiana:*

In compliance with a resolution of the 14th instant, the undersigned submits the following Exhibits of the proceedings of the Directors of the State Bank.

At the late session of the Directors, commenced February 10, 1840, among other proceedings the following items from the Business Committee were referred to the Committee on the State of the Bank:

To ascertain whether the several Branches have kept their discounts within the prescribed limit;

The subject of suspension of the various Banks in the adjoining States, and the probable effects upon the future action of the State Bank and Branches;

The present condition of the Lawrenceburgh and Lafayette Branches, and the steps they have taken to comply with orders and requisitions of the last board of Directors of the State Bank;

How far the various Branches have complied with recommendations of the last session of this Board in confining and using their discounts and purchase of bills to the facilitating the conveyance of the surplus produce of the country to market.

The committee above named, on the state of the Bank, reported on the above subject, as follows:

That the several Branches have kept their discounts within the limits prescribed;

In relation to the subject of suspension, we do not conceive, that any change so material has taken place since the meeting of the last Board, as to require any additional action on that subject;

In regard to the present condition of the Lawrenceburgh and Lafayette Branches, and the steps they have taken to comply with orders and requisitions of the last Board of Directors of the State Bank, that after a careful examination into the affairs of these two Branches, they find, that the Lawrenceburgh Branch, without decreasing the amount of their specie capital more than eight thousand dollars, have paid their whole debt, amounting to about \$47,000 to the United States; that while they have increased the amount of their bills discounted and bills of exchange to some extent, they have decreased their circulation about \$19,000; leaving their immediate liabilities however, greater than a strict regard to the safety of the Institution, would indicate to be right, when compared with the amount of means in hand to discharge them.

The committee are well satisfied, that the general condition of both the Branches is better, than at the last meeting of the Board, yet recommend, that in their future operations, they continue to adhere strictly to the orders and recommendations of this Board at its last meeting.

The committee further state and report, that they have had under consideration the situation of the Branches and their future prospects of business as well in regard to the increase of their specie capital, as their continuing to aid the business of the country, and they feel constrained to recommend to the Branches the exercise of great caution and prudence in their banking operations—such of them as require and receive an instalment of at least one-fifth on all their discounts every 90 days, and such of them as have from a third to a fourth of their whole discounts in bills of exchange, which will be promptly paid at maturity, may, without much trouble prepare for any state of things, that is likely to take place, and they may still continue to make discounts, which will keep up a supply of circulating medium in the district in which they are situated, although of course their business will be contracted during summer, to be again expanded, when the exporting season commences. Such of the Branches as have a large debt due them from the State, and in addition a considerable amount of loans from individuals, on which very little reduction can be made, must, without doubt, be considered in a critical and difficult situation.

Where a Branch ceases to make new loans, the difficulties of collection increase, for the means to make payments diminish, as the Branches lessen their discounts. No pains should be spared to realize from the State, at an early day, the balances that are due, and whenever by sale of property or Bank stock, the debtors of the Bank can diminish the amount of their dues, such sales should be earnestly pressed. Every long loan collected and all stock held by persons, who seldom wish to borrow, furnish additional means to increase the profits of the Bank, and promote the useful business of the country. When old debts are thus collected, great care should be taken, that the money does not again fall into wrong hands. To guard against this, no new loans for any purpose whatever should be made, without requiring at least one-fifth every 90 days. All debtors of the Bank, who are unable to pay instalments of at least a tenth on their present debts, should be debarred from future loans until their circumstances change; and on no account should loans be made to persons, who will not feel it both a pride and duty continually to keep up their credit in Bank.

As to future business, much must be left to the sound discretion and judgment of the Branch Directors: yet your committee deem it their duty to present the following resolutions:

Resolved, That none of the Branches of the State Bank ought to have in accommodation notes, and in its debt due from the state, an amount exceeding once and a fourth its capital; and that efficient steps ought to be taken to restrain any Branch, which shall not, at the earliest day practicable, place itself in this situation.

Resolved, That the Cashiers of each and all the Branches hereafter be required, in their quarterly reports, to add, to the usual mode, the following facts.

1st, The amount of loans each, of notes discounted, or bills of exchange to merchants, and what number of persons to whom made.

2d, The amount of loans on notes and bills to producers.

3d, The amount of loans on notes or bills to those actually engaged in the exportation of produce.

4th, The amount of loans on notes or bills to manufacturers and mechanics.

All of which being read, said report was unanimously concurred in, and said resolutions are unanimously adopted.

In addition to the above, the following further proceedings were had, which seem to be appropriate to be communicated under the resolution of the Senate:

WHEREAS sundry reports prejudicial to the character of the officers, management and standing of the Lawrenceburgh Branch have been freely circulated; therefore,

Be it resolved, That a committee, composed of the President, George P. Buel and Septer Patrick, Directors, be appointed to investigate the condition of said Branch generally; and particularly in the following items;

First: The conduct of its officers—and if any of them are obnoxious to the public, and so involved in bank debts as to be frequently under protest and generally overdrawn—thus disqualifying them from an independent discharge of their duty (which has been roundly asserted) or in any other way disqualified—to recommend and insist on their removal.

Second: To examine as to the solvency of endorsers, and in all cases where the committee have any doubts as to the safety of any debts, to require additional security, either in additional endorsers or collateral security, so as to place the debts of the Bank on a sure basis.

Third: To establish and fix every debtor's liability in Bank to his own account, as it has been suggested, that some of the officers of said Bank have large accommodations in the names of other persons.

Fourth: To make a full statement of the condition of the Bank to the State Board at their next session, recommending such measures and corrections, as shall in future silence the clamors that have gone to the world against its acts and doings, as well as correct all its errors, and its abuses if any exist.

Which resolution was unanimously adopted.

The following resolution was also submitted and unanimously adopted:

Resolved, That the State Bank of Indiana ought not to be identified in any manner whatever, with the internal improvement system of said state. Therefore this Board recommend, that no one of the Branches make any loan to the Internal Improvement Board, or the Board of Fund Commissioners—and that any order of this Board which may authorize the Branches to loan to the Fund Commissioners be rescinded.

The ayes and noes were not called or taken on any measure adopted by the Board at its late session. The proceedings above given were all adopted by the unanimous vote of all the Directors present, being all the Directors appointed by the state and one from each of the Branches represented. Two propositions were rejected on a vote by ayes and noes.

In reply to the inquiries in the resolution as to the nature of the advances made by the Branches to the state in the prosecution of the public works, and the authority for them, it is necessary that I should explain the matter and the reason of it, that much misapprehension that seems to exist in relation to it may be corrected.

When the disbursements were about to be made, under the authority of law, by the officers of the state appointed to that duty, on the public works, it became of course an inquiry with them, how they could be effected at the least expensé to the state, and with the least risk of loss.

The result of such inquiries was to adopt the system pursued in Ohio,

by making use of Banks for procuring their funds from the East and effecting their disbursement in the state.

The advantage of the agency of a Bank to the state was, that the expense of a disbursing officer, or paymaster on each line was saved—the loss of time and interest, and chance of robbery or accidental loss of such money while in such officer's hands was obviated—and besides the difficulty of correcting any error in a payment after it had been made by such officer was prevented.— For the Fund Commissioners required of the Branches, that they should at their own *expense* and *risk*, make all payments on the works at monthly or other stated periods on the line of the work or convenient thereto—that they should advance the money for the state 60 days before they should receive their pay for it, at the East, during which time the state's money would be bearing interest on deposit or if paid by her, which would be an average equivalent for the exchange on the funds being repaid at the East — and that if they paid any money except upon a proper draft, accompanied with an Engineer's estimate, it should not be allowed them, but should be lost by the Branch.

These terms were deemed so rigid for disbursing, that some of the Branches declined paying under these conditions for a time; but finally acquiesced, it being understood, that the Ohio Banks would step in and make the disbursements for the state and the advances on the same terms.

These disbursements were never regarded at all as a loan, but were always predicated on the positive contract, on the part of the officers of the state, to repay such disbursements in sixty days. The way in which the unpaid amount has run up to the present balance is, that the work has at some periods, during a favorable month, progressed so rapidly, as to cause the amount altogether to exceed the instalments coming in, on the loans of the state—these deficiencies were from time to time partially met by the Fund Commissioners, but the excess of payments still again increased, under the hope and anticipation continually held out, that they would be reimbursed. In this manner the present balance has accumulated. A very heavy payment was made by the Lafayette Branch, but a few days before the notice was received of the inability of the state to repay soon. It is not known that any payments have been made since the Branches were apprised of such inability, unless it be some by the Terre Haute and Lawrenceburgh Branches, at the earnest solicitation of the officers of the state, to secure some dams or other portions of the work liable to injury from the winter freshets. It is proper to remark, that I have heard incidentally, that the Evansville Branch had made payments to some extent, later in the season, or rather had assisted the contractors to some extent in paying their hands.

In all this operation, the Branches acted, as any foreign Banks would have done, regarding it as a business purchase of the exchange necessarily to be brought into the country by the state in disbursing in the state her funds borrowed at the East; and which, if the Ohio or other Banks of foreign states had procured of the officers of the state for their disbursements, would have compelled our citizens indebted to the East to have gone to other states with the paper of our Bank to purchase the means of paying their Eastern debts, and on our paper our Branches would have been constantly drained of their specie by these foreign Banks—so that, if the money of the state was to be at all disbursed in the state, from the East, our Branches were in a manner *compelled*, to make the payment on any safe terms.

No authority or order of the State Board was at any time made to allow of any such advances, as would have had to have been the case if they had been deemed loans or discounts. It is proper to add that at our Nov. session 1839, when it was ascertained for the first time that the disbursements for the state could not be repaid from the means coming into the hands of the fund commissioners, even on deferred debts, without interfering with the payment of the balances due the contractors, it was determined that the balances should be regarded in every Branch as a loan to the state, and computed accordingly; and that in view of the embarrassment and distress that would arise among contractors and hands from their payments due from the state being postponed, the Branches concluded not to press their just claim for their unpaid disbursements, until the contractors should be provided for, although their same disbursements had been for *prior* payments to contractors. To show that for a loan to the state to be made by any Branch, authority should be applied for, to the State Board, (under the requisition of the charter, that no corporation should receive a loan over \$5000 in any Branch, unless allowed to do so by the State Board,) I annex an order of the State Board, made to that effect, at the February Term 1836, when the Fund Commissioners had expressed to some of the Branches their intention of applying either to them, or to some other Bank, for a loan for a short period.

Such resolution was in the following words:

Resolved, That all the Branches be permitted on application to loan to the Canal Fund Commissioners, on behalf of the State, any sum, not to exceed thirty thousand dollars, which they may need in prosecuting the internal improvements of the State."

No application however being made, as was contemplated, by the Fund Commissioners, no action or loan was ever had or made by any of the Branches under the above resolution.

At the November session 1839, under a resolution of the Board of Directors of the State Bank, on the application of the Fund Commissioners, accompanied with the earnest urgency of the Governor of the State, the Secretary of State, the Treasurer and Auditor, most of the Branches furnished to the State, in advance of the revenue then being collected, the means of saving the honor and credit of the state by paying the interest on the state's bonds falling due on the first day of January 1840, in New York and London.

Although it was not at all supposed that any Branch could or would be likely to loan to the state, under the resolution above set out, it was deemed best, at the last session of the State Board, in the present month, to rescind the said resolution, which was then done by a unanimous vote of the Board.

With regard to large calls upon the Branches for specie lately, the largest made has been for the Treasury Department of the United States on the Lawrenceburgh Branch from the sum of \$47,707 69, the balance due the United States of several millions of dollars, which the Branches have received and paid out for the Government. This balance was paid by the said Branch in specie, except a small amount in a draft on the east, which, although not strictly complying with the requisition that it should be all paid in specie to one of the institutions at Louisville, it is believed will be satisfactory to the Secretary.

It will be seen by the proceedings on the first page of this reply, that no information had come to the State Board as to the suspension of specie payments, that called for any action of the Board at the late session. No in-

stance of refusal to pay specie by any Branch was notified to the Board.

The proceedings of the former session to which reference is above had; are as follows, as adopted November session 1839:

"Among the references to the committees of the State Board was the following:—The subject of the suspension of the various Banks in the adjoining States, and the proper course to be pursued by the State Bank of Indiana: in relation thereto:

"The select committee to whom the same was referred, reported the following resolution:

"*Resolved*, That upon the subject of the suspension of specie payment by the Banks of the adjoining States, and the action of the State Bank in reference to the same, the first consideration is that which involves the preservation of the faith, credit and usefulness of the institution—That in reference to the condition of the Branches, as affected by *their own operations*, no necessity exists for a resort to a suspension of specie payments—That while such is their condition, under the influence of *their own measures*, it is not to be disguised, that the *attitude* in which *they may be placed* by the banks of the adjoining States, which have suspended, and others influenced by this state of things, may compel Branches to act upon the principle of self-preservation and defence, and suspend specie payment. It is only when any of the Branches are in imminent danger from these sources, that they should throw themselves upon this dernier resort.

With these views, it is apparent that this Board, in reference to the future operations of the Branches in regard to this subject, cannot undertake to define the combination of circumstances, which should impose the dire necessity upon any of them of a suspension; but from the nature of the case, this measure must for the present, be confided to the sound discretion of the Branches respectively, for their action, as the occasion shall require.

Which resolution was adopted,"

The undersigned is not apprized of any further matter on this subject, of which he is aware, that is called for by the Senate. I have no doubt refusals of specie have in some instances been made by some of the Branches, when it has been demanded by brokers or foreigners; and at the present time heavy amounts of unavailable paper issued by the *nominally* specie paying Banks of an adjoining State are thrown into our State by brokers' agents and others, which are sold *at a discount* to procure for them the paper of our Branches for *which the specie is demanded, or the penalty of the 12 per centum threatened*.

I refer to the large emission of post notes from the Banks of Ohio; and more recently since these have been declared to be unauthorized, a larger emission has succeeded of checks in the form of bank notes made payable at other Banks at points so distant and diverse as to be virtually irredeemable. In other states, as in Virginia, the Legislatures are providing, that in such cases, the penalty of the double interest or per centum should *not* be allowed, or required of their Banks.

All of which is respectfully submitted,

S. MERRILL.

REPORT

OF THE

FUND COMMISSIONER,

IN ANSWER TO

RESOLUTION OF THE SENATE,

**CALLING FOR THE NAMES OF INSTITUTIONS, COMPANIES, AND INDIVIDUALS
INDEBTED TO THE STATE FOR BONDS SOLD, ETC.**

FEBRUARY 20, 1840.

Read and laid on the table, and 500 copies ordered to be printed.

**FUND COMMISSIONERS' OFFICE,
INDIANAPOLIS, 18TH FEB. 1840.**

HON. DAVID HILLIS,
President of the Senate,

SIR: Please lay the enclosed communication before the Senate, over which you preside.

Very respectfully,
MILTON STAPP, F. Com'r.

OFFICE OF BOARD FUND COMMISSIONERS,
Indianapolis, Feb. 18th, 1840.

HON. DAVID HILLIS,
President of the Senate,

SIR—In obedience to a resolution of the Senate of the 17th instant, requesting the Fund Commissioners to inform the Senate,

1st: The names of all the banking institutions, companies and individuals who are now indebted to the state of Indiana, on account of state bonds sold for the prosecution of the Wabash and Erie Canal, and system of internal improvement, with the amount due from each:

2d: The par value of the stocks of the same, and the present actual or market value thereof:

3d: The collateral security, given by each, with the par value of the same, and the present actual value thereof.

The undersigned would respectfully communicate to the Senate, that the principal sums due and to be due from banking institutions, companies, and individuals, to the state of Indiana on contracts already made, are as follows:

No, 1	Morris Canal and Banking Company	\$817,798 34
2	Bank of Western New York at Rochester	240,000 00
3	Pontiac Railroad Company	90,000 00
4	Erie county Bank, including interest	150,000 00
5	Binghampton Bank	60,700 00
6	Hiram Pratt, President Bank of Commerce	48,000 00
7	Staten Island Whaling co.	60,000 00
8	Staten Island Whaling co.	\$20,000
9	E. & P. Houghwout	28,000
10	W. A. Swan	4,000
11	J. J. Cohen, jun. & Brother	60,000
		<hr/>
		112,000 00
12	John Woodburn, Wm. Hendricks, V. & J. King, Geo. W. Leonard	400,040 00
		<hr/>
		\$1,978,538 34

The par value of No. 1, (the Morris Canal and Banking company) is one hundred dollars to the share, and has been sold at the stock board during the pressure in December last as low as twenty dollars to the share. Its usual value during the past summer in the stock board varying from thirty-five to forty-five dollars per share.

The par value of stocks in Nos. 2, 3, 4, 5, 7 and 8 the undersigned believes, is one hundred dollars to the share; but has seen no notice of the sale of these stocks, therefore presumes they are not transferable in the city of New York (which precludes them from the market with the board of brokers,) consequently no sales are quoted. These stocks in ordinary times, would doubtless sell at par, perhaps at the present time, like our own state stocks they would sell far below par.

Nos. 6, 9, 10, 11 & 12 are not stock companies so far as the the knowledge of the undersigned extends.

The securities taken on the above named debts are as follows:

On No. 1, the securities are—

1st, Certificates of deposite in the North American Trust & Banking Company for	\$266,000 00
2d, A judgment against the Long Island Rail Road Company	60,000 00
3d. Harlem Rail Road 7 per cent. bonds	36,000 00
4th, 5,000 shares of the par value of fifty dollars Beaver Meadow Rail Road stocks	250,000 00
5th, 1,600 shares of the Little Schuylkill and Susquehanna Rail Road stocks	80,000 00
6th, Mortgages on Jersey City lots	300,000 00
	<hr/>
	\$992,000 00

The par value of the stocks constituting the above securities are believed to be one hundred dollars to the share, except the 4th and 5th security noted which are fifty dollars to the share and the present selling price as proted in the New York papers are as follows:

1st, 43 to 47.

2d, 51 to 53.

3d, 4th, 5th and 6th are not quoted in New York market, but it is presumed they would be about equal to the others.

No. 2 is secured by the bonds of the Western Bank of New York in the city of New York, and by the bonds of the Georgia Lumber Company, as also large tracts of land belonging to the last named company.

No. 3 is secured by the bonds of the Merchants' Exchange Bank of Buffalo, whose stocks are not quoted.

No. 4 is secured by the bonds of the Gallipolis Bank in Ohio, the value of the stocks of which is not certainly known, but stands as fair in Cincinnati as most other interior banks.

No. 5 is secured by the acceptance of Dwight Danforth of the city of N. York and endorsement of C. Cole of Binghamton, New-York.

No. 6 is secured by 48,000 of stocks in the Bank of Buffalo, the value of which is not certainly known, having no knowledge of its being quoted. The bank is one of the safety fund banks and is believed to be good.

No. 7 is secured by 60,000 stocks in the Staten Island Bank. These stocks are not noted in the market. The bank is considered good.

Nos. 8, 9, 10, and 11 are debts taken in part of the old Cohen debt, and secured by mortgage on real estate, and is supposed to be good.

No. 12 is secured by the bonds of the five gentlemen above named, who are worth upwards of a half million of dollars, and pay taxes on near six hundred thousand dollars. They give as security the Madison Insurance Company with a capital of one hundred thousand dollars paid in, as also the Madison Savings Institution, the stockholders in which are individually bound for the contracts of the institution, and are worth at least six hundred thousand dollars.

The undersigned would beg leave respectfully to suggest to the Senate, that should the foregoing report be printed and laid before the casual reader, it may be thought by him, that inasmuch as the stocks of these Institutions

are quoted low, that the prices of the stocks would be a fair criterion to judge of the solvency of our claims, by assuming that we could not realize more on the dollar than the stocks are worth. The fallacy of this position, however, will be easily perceived by a careful reader.

The brokers in New York are well aware of the state and condition of all the Institutions whose stocks are offered for sale; and before purchasing they set down the debits and credits of the Institution whose stock is offered for sale, and strike the balance after all the debts are paid; this balance is what they purchase. No intelligent broker would give even twenty cents on the dollar for the stocks of the Morris Canal & Banking Company, unless very certain that the Institution would pay all its debts, and have that sum or more left to be divided among its stockholders; for in purchasing this stock, they well know, that the debts of the Institution must first be paid, and the remainder left as a dividend for the stockholders.

Again, it is not fair to judge of the ability of an Institution, finally to pay its debts, by the forced sale of its stocks for cash, at a time of great pressure in the money market. No one will doubt the ability of the North American Trust and Banking Company to pay all its engagements, and yet its stock has sold as low as 37 cents to the dollar; so with the Banks of Kentucky, and yet their stocks have sold as low as fifty cents. The United States Bank of Pennsylvania's stocks have been as low as 65 cents to the dollar, yet it has the ability not only to assist merchants and traders out of their difficulties, but states also.

Indeed, when we reflect, that a paragraph in a newspaper, a message from a governor, or even a changed vote of a member of the Legislature, not unfrequently greatly affects the stock market for better or for worse, we ought not to rely too certainly on these sales, in forming our judgment, as to the solvency of our Institutions.

Very respectfully,

MILTON STAPP,
Fund Commissioner.

REPORT

OF

FUND COMMISSIONER,

SHOWING THE

CONTINGENT EXPENSES,

AND THE

PER DIEM ALLOWANCE OF THE COMMISSIONERS,

DURING THE PAST YEAR, ETC. ETC.

OFFICE BOARD OF FUND COMMISSIONERS,
Indianapolis, Feb 19, 1840.

HON. DAVID HILLIS,

President of the Senate,

SIR—Since my last communication to the Senate relative to the amount standing against James B. Johnson, late of the Board of Internal Improvement, for which there was no sufficient and formal voucher, there has been filed in this office by the said Johnson, vouchers for four thousand three hundred and seventy-five dollars.

MILTON STAPP, F. Com'r.

OFFICE BOARD FUND COMMISSIONERS,
Indianapolis, Feb. 19th, 1840.

HON. DAVID HILLIS,
President of the Senate:

In obedience to a resolution of the Senate of this date requiring the "Fund Commissioners to lay before the Senate a succinct statement of all their contingent or incidental expenses and per diem compensation as such Fund Commissioners during the past year and up to the present time; and whether they have employed any agent in Europe or elsewhere; if so, state what amount they have paid them,"

The undersigned has the honor to state, that the contingent or incidental expenses and per diem compensation of the Fund Commissioners from 1st March, 1839 to the present day inclusive, is submitted to the Senate in detail in the herewith enclosed abstract marked A.

The undersigned is not aware that any agent has been employed during the present year either in Europe or elsewhere, excepting those previously contracted with and made agents, viz: the Messrs. Rothschilds in London, who receive half per cent. for paying our interest in that city, and the Merchants' Bank in New York, the same commission for similar services.

The half per cent. paid Messrs. Rothschilds, London, annually on the payment of \$100,000 interest is	\$500 00
The half per cent. commission paid the Merchants' Bank, N. York annually on the payment of \$63,850 interest is	319 25
	<hr/>
	\$819 25

All which is respectfully submitted,
MILTON STAPP, F. C.

A

ABSTRACT STATEMENT of the per diem expenses of the Fund Commissioners from the 1st of March, 1839, to the 19th day of February, 1840.

MILTON STAPP—

8 days services to 10th March at Indianapolis	\$24 90
Expenses of board on road and at Indianapolis	16 00
8 days horse hire	8 00
Expenses of passage to New York via Washington city	51 00

Expenses for board, washing, portorage, &c. at New York	
70 days at \$2 50	175 00
for fire in room at New York 50 days 50 cents	25 00
passage from New York to Madison	33 00
Services to 26th May 70 days, \$3	210 00
Services 3 days to 20th June at Vernon	9 00
Expenses of trip to Vernon	4 50
of passage to New York	34 00
do to Pontiac, Michigan and back	52 50
do to Baltimore and back	16 00
do to Madison	41 00
do to Indianapolis	6 00
of board, washing, &c. in the east 93 days \$2 50	232 50
do do in the west 9 days \$1 50	13 50
of carriage to Canton	2 00
Services from 16th July to 31st Oct. inclusive, 108 days \$3	324 00
Expenses of passage to New York	36 00
of passage from N. York to Philadelphia and return	8 00
do do do	8 00
do N. York to Baltimore and return	16 00
do do Madison	50 00
of board, washing, &c. at Indianapolis from 1st to 14th Nov. inclusive at \$1 50	21 00
of board, washing, &c. at the east 20th Nov. to 22d January \$2 50	157 50
of fire in room at New York 39 days 50	19 50
of board, washing, &c. at Indianapolis from 2d to 19th Feb. 19 days at \$2 00	38 00
Services from 1st Nov. to 19th Feb. inclusive, 111 days	333 00
	<hr/>
	\$1,964 00

LUCIUS H. SCOTT—

Services to 1st June	50 days, \$3	150 00
Expenses of passage to New York		47 50
“ of board, washing, &c. in N. Y. 50 days, \$2 50		125 00
“ of hack at sundry times to visit property		6 00
“ of fire in room at New York		19 50
Services at New York and Indianapolis to 31st Oct. 132 days		396 00
Expenses of passage from New York to Philadelphia and return, sundry times		50 00
“ of passage from N. York to Terre-Haute, thence to Indianapolis		62 00
“ of board, washing &c. New York and Indianapolis, 132 days		230 00
“ of hack hire in New York		3 00
Services from 1st Nov. to 8th February, 100 days, at \$3		300 00

Expenses of board &c. for self and keeping for horse at Indianapolis, 100 days, at \$2 50	250 00
“ horse hire, 3 months	30 00

 \$1,669 00

Milton Stapp's per diem and expenses	1,964 00
--------------------------------------	----------

 \$3,633 00

Recapitulation.

Milton Stapp per diem compensation	\$900 00
Incidental expenses	1,064 00
L. H. Scott's per diem compensation	846 00
Incidental expenses	823 00
	<hr/>
	\$3,633 00

REPORTS

MADE TO

THE HOUSE OF REPRESENTATIVES,

AT THE TWENTY-FOURTH SESSION

OF THE

LEGISLATURE OF INDIANA,

BEGUN AND HELD AT INDIANAPOLIS, DECEMBER 2,
1839.

INDIANAPOLIS:

J. Livingston, Printer.

1840.

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REPORT

OF THE

TREASURER OF STATE,

IN RELATION TO THE 3 PER CENT. FUND.

TREASURER'S OFFICE,
Indianapolis, October 31, 1839. }

To the Hon. Speaker of the House of Representatives:

I herewith transmit to be laid before the House of Representatives, a statement of the operations and condition of the 3 per cent. fund.

Very respectfully, your obedient servant,
N. B. PALMER, *Agent 3 per cent. fund.*

The total amount of the 3 per cent. fund received from the United States prior to the 1st December, 1838, including also, \$2,550 received from the State Treasury, is		-	454,100	61
There has been received from the United States the present year,		-	18,530	00
			<u>472,630</u>	61
The payments from this fund on the various appropriations to roads, rivers, and counties, prior to the 1st December 1838, amounted to		-	433,223	82
There has been paid on same account the present year, up to the 31st October, 1839,		-	21,375	75
The total amount of incidental expenses up to the 31st October, 1839, is		-	4,933	94
			<u>459,533</u>	51
				<u>13,097 10</u>

Leaving on the 1st of November, inst., on hand, subject to the order of the proper commissioners, the sum of \$13,097 10.

The following table will shew the amount appropriated to each of the several objects, to which the fund has been directed, also the amount paid to, and the balance due to each.

The right hand column shows the amount yet going to each county to meet all existing appropriations; this balance, however, is but a portion of it now on hand, there being yet to be received from the United States, the sum of \$1,223 62 to each county to fill the appropriations heretofore made.

To ascertain the amount now on hand for any county, subtract the \$1,223 62 from the amount set in the right hand column as due the proper county, and the balance will be the amount now on hand for such county, and subject to the draft of the proper commissioner.

No. of Road, River, or County.	Road Commissioners and names of counties.	Amount of appropriation to each road and county.	Amount paid to each	Balance due to each.
12	George White - -	2,712 23	2,701 19	11 04
14	Garra Davis - -	3,033 80	3,025 02	8 78
	Amount appropriated and paid on 53 roads -	111,740 05	111,740 05	-
	Amount appropriated and paid on 10 rivers -	2,050 00	2,050 00	-
1	Allen - - -	5,387 50	3,952 04	1,435 46
2	Adams - - -	5,500 00	4,064 54	1,435 46
3	Boone - - -	5,500 00	4,276 38	1,223 62
4	Bartholomew - -	5,500 00	3,974 87	1,525 13
5	Brown - - -	4,000 00	2,564 54	1,435 46
6	Clinton - - -	5,387 50	4,163 88	1,223 62
7	Carroll - - -	4,900 00	3,464 54	1,435 46
8	Cass - - -	5,000 00	3,747 29	1,252 71
9	Clark - - -	5,500 00	4,064 54	1,435 46
10	Crawford - - -	5,500 00	4,276 38	1,223 62
11	Clay - - -	5,387 50	3,952 13	1,435 37
12	Dearborn - - -	5,500 00	4,065 00	1,435 00
13	Decatur - - -	5,500 00	4,276 38	1,223 62
14	Dubois - - -	5,500 00	4,000 00	1,500 00
15	Delaware - - -	5,500 00	4,276 38	1,223 62
16	Daviess - - -	5,500 00	4,276 38	1,223 62
17	De Kalb - - -	4,000 00	2,564 54	1,435 46
18	Elkhart - - -	5,500 00	4,294 79	1,205 21
19	Fountain - - -	4,900 00	3,464 54	1,435 46
20	Floyd - - -	5,500 00	4,276 38	1,223 62
21	Franklin - - -	5,500 00	4,064 54	1,435 46
22	Fayette - - -	5,500 00	4,276 38	1,223 62
23	Fulton - - -	4,000 00	2,776 38	1,223 62
24	Gibson - - -	5,500 00	4,276 38	1,223 62
25	Grant - - -	5,500 00	4,276 38	1,223 62
26	Green - - -	5,500 00	4,064 54	1,435 46
27	Huntington - -	5,387 50	4,163 88	1,223 62
28	Harrison - - -	5,500 00	4,064 54	1,435 46
29	Hendricks - - -	5,500 00	4,064 54	1,435 46
30	Hancock - - -	5,500 00	4,276 38	1,223 62
31	Hamilton - - -	5,500 00	4,276 38	1,223 62
32	Henry - - -	5,500 00	4,276 38	1,223 62
33	Jackson - - -	5,500 00	4,276 38	1,223 62
34	Jennings - - -	5,500 00	4,276 38	1,223 62
35	Jefferson - - -	5,500 00	4,276 38	1,223 62
36	Jasper - - -	4,000 00	2,776 38	1,223 62
37	Johnson - - -	5,500 00	4,064 54	1,435 46
38	Jay - - -	4,000 00	2,564 54	1,435 46
39	Kosciusko - - -	4,600 00	3,371 60	1,228 40
40	Knox - - -	4,900 00	3,674 54	1,225 46
41	Lawrence - - -	5,500 00	3,921 45	1,578 55
42	Laporte - - -	5,500 00	4,265 38	1,234 62

No. of Road River or County.	Road Commissioners and names of Counties.	Amount of ap- propriation to each road and county.	Amount paid to each	Balance due to each.
43	Lagrange - - -	5,500 00	4,064 54	1,435 46
44	Lake - - -	4,000 00	2,560 00	1,440 00
45	Miami - - -	5,300 00	3,864 54	1,435 46
46	Montgomery - - -	5,387 50	3,387 50	2,000 00
47	Morgan - - -	5,500 00	4,276 38	1,223 62
48	Marion - - -	5,500 00	4,276 46	1,223 54
49	Madison - - -	5,500 00	4,276 38	1,223 62
50	Martin - - -	5,500 00	4,276 38	1,223 62
51	Monroe - - -	5,500 00	4,276 38	1,223 62
52	Marshall - - -	4,000 00	2,564 54	1,435 46
53	Noble - - -	4,000 00	2,000 00	2,000 00
54	Newton - - -	4,000 00	2,564 54	1,435 46
55	Orange - - -	5,500 00	4,064 54	1,435 46
56	Owen - - -	5,500 00	4,276 38	1,223 62
57	Parke - - -	4,900 00	3,676 38	1,223 62
58	Posey - - -	5,500 00	4,064 54	1,435 46
59	Perry - - -	5,500 00	4,064 54	1,435 46
60	Pike - - -	5,500 00	3,881 79	1,618 21
61	Putnam - - -	5,500 00	4,276 34	1,223 66
62	Porter - - -	4,000 00	2,776 41	1,223 59
63	Pulaski - - -	4,000 00	2,776 38	1,223 62
64	Ripley - - -	5,500 00	4,276 38	1,223 62
65	Randolph - - -	5,500 00	4,276 38	1,223 62
66	Rush - - -	5,500 00	4,276 38	1,223 62
67	St. Joseph - - -	5,500 00	4,064 54	1,435 46
68	Scott - - -	5,500 00	4,276 38	1,223 62
69	Switzerland - - -	5,800 00	4,364 54	1,435 46
70	Spencer - - -	5,500 00	3,881 79	1,618 21
71	Shelby - - -	5,500 00	4,276 38	1,223 62
72	Sullivan - - -	4,900 00	3,434 54	1,435 46
73	Steuben - - -	4,000 00	2,564 54	1,435 46
74	Stark - - -	4,000 00		4,000 00
75	Tippecanoe - - -	4,900 00	3,464 54	1,435 46
76	Union - - -	5,500 00	4,276 20	1,223 80
77	Vermillion - - -	4,900 00	3,464 54	1,435 46
78	Vanderburgh - - -	5,500 00	4,276 38	1,223 62
79	Vigo - - -	4,900 00	3,676 38	1,223 62
80	Wabash - - -	5,387 50	4,163 88	1,223 62
81	Warren - - -	4,900 00	3,676 38	1,223 62
82	Washington - - -	5,500 00	4,276 39	1,223 61
83	Warrick - - -	5,500 00	4,064 54	1,435 46
84	Wayne - - -	5,500 00	4,064 54	1,435 46
85	Whitley - - -	4,000 00	2,564 54	1,435 46
86	Wells - - -	4,000 00	2,564 54	1,435 46
87	White - - -	4,487 50	3,263 88	1,223 62
	Wabash appropriation -	7,000 00	7,000 00	
		574,148 58	451,599 57	119,549 01

By the foregoing, it will be perceived, that there		
has been specially appropriated to roads,		
rivers, and counties, the sum of	- - - - -	\$574,148 58
The total amount received by the Agent, from		
the United States, and State Treasury is	472,630 61	
From which deduct total amount of incidental		
expenses	- - - - - 4,933 94	
	-----	467,696 67
		<hr/>
		106,451 91

Exhibiting a balance of appropriations over the amount received from the United States of \$106,451 91.

All of which is respectfully submitted,

N. B. PALMER, *Agent 3 per cent. fund.*



ANNUAL REPORT

OF THE

TREASURER OF STATE.

NOVEMBER 1, 1839.

To the Hon. Speaker of the House of Representatives :

Herewith are transmitted, to be laid before the House of Representatives, 1st. The Treasurer's Report of the general state of the Treasury; 2d. The Loan Office Report; Statement A, presenting the operations of that department in reference to the College Fund; Statement B, the Saline Fund; Statement C, the Congressional Township Fund; and Statement D, the State Bank School Fund; the items of the Contingent Fund; a bill of the purchase and cost of stationery.

N. B. PALMER, Treasurer of State.

Indianapolis, Nov. 1, 1839.

TREASURY DEPARTMENT, }
Indianapolis, November 1, 1839. }

The Treasurer of State, in obedience to the directions of the "Act concerning the Auditor of Public Accounts, and Treasurer of State," submits the following report of the receipts and expenditures of the State, and the operations of the Loan Office, &c., from the 1st December, 1838, to the 31st October, 1839, both inclusive.

There was a balance remaining in the Treasury on the close of the last financial year of	\$23,471 53
Receipts during the fiscal year from revenue of	
1837, - - - - -	52 45
1838, - - - - -	161,182 26
1839, - - - - -	2,387 00
From sales of Michigan Road lands, - -	536 85
" " lots, &c. at Indianapolis - -	237 50
" " estates without known heirs, - -	231 99
" " incidental sources, - -	134 00
" " interest on Treasury Loans, - -	2,916 70
" " Treasury Loans refunded, - -	250 00
" " Lawrenceburgh and Indianapolis Rail Road Company, - -	434 21

The receipts and credits in the college branch of the Loan Office Department have been:

From Commissioner of reserve township in Monroe county, - - - -	1,814 00
From Commissioner of reserve township in Gibson county, - - - -	500 00
From loans refunded, - - - -	7,404 50
From interest on loans, - - - -	4,541 47
	<hr/> 14,259 97

The amount paid into the Treasury of Saline Fund, appertaining to the Loan Office, has been:

From Commissioner of Saline lands in Orange county, - - - -	1,359 15
do do Washington county, - -	211 49
do do Monroe " - -	95 98
From loans refunded, - - - -	330 00
" interest on loans, - - - -	2,033 49
	<hr/> 4,030 11

\$210,124 57

The expenditures during the same period, have been:

Pay and mileage of members of the Legislature, including officers,	-	-	-	\$42,562 12
Printing and stationary,	-	-	-	17,798 93
Specific appropriations,	-	-	-	8,369 18
Contingent expenses,	-	-	-	1,059 66
Premium on wolf scalps,	-	-	-	335 00
Pay of Probate Judges,	-	-	-	3,078 00
“ Executive officers,	-	-	-	2,716 66
“ Judges of Supreme and Circuit Courts,	-	-	-	11,774 55
“ Circuit Prosecutors,	-	-	-	1,552 57
“ Adjutant and Quarter Master Generals,	-	-	-	190 25
Payments on account of State House,	-	-	-	1,042 10
“ “ State Prison,	-	-	-	1,065 36
“ “ State Library,	-	-	-	437 50
“ “ Michigan Road,	-	-	-	486 85
School moneys refunded,	-	-	-	311 62
Seat of government,	-	-	-	36 87
Estates refunded,	-	-	-	1,037 07
Geological survey,	-	-	-	1,833 22
Internal improvements,	-	-	-	38,000 00
Conscientious fines distributed,	-	-	-	7 00
Treasury loans,	-	-	-	29,167 00
Fund commissioners, being L. & I. R. R. loans refunded,	-	-	-	434 21

The disbursements on account of the college
branch of the loan office have been:

Payments on account of Indiana University, including incidental expenses of loan office,	1,749 59
Loans of college fund,	11,197 50
	<hr/>
	12,947 09

Payments and liabilities on account of Saline
fund subject to the loan office laws, are:

Loans of Saline fund,	-	-	3,200 00	
Saline fund expenses,	-	-	215 44	
			<hr/>	3,415 44
Balance on hand, October 31, 1839,	-			30,466 32
				<hr/>
				\$210,124 57

Estimated condition of the treasury for 1840.

The probable means of the treasury applicable to the ordinary expenses of the State for 1840, may be estimated as follows, viz.

Balance in the treasury on the 1st day of	
November, 1839	\$30,466 32
Revenue of 1839 from poll tax	45,000 00
Amount of treasury loans, which will probably be refunded in the course of the current year	28,917 00
Sale of lots in Indianapolis	4,000 00—\$108,383 32

The liabilities and expenditures for the same period, may be estimated as follows, to-wit :

Unaudited and other claims which will be due at the treasury, at the close of the present quarter, Nov. 30, 1839,	14,000 00
Salaries of Judges and Prosecutors	17,500 00
Salaries of Executive officers	3,500 00
Printing—Stationary—Binding, and distributing the Laws	15,000 00
Expenses of Legislature, including Officers and Attendants	40,000 00
Contingent and Specific appropriations	6,000 00
Probate Judges	3,200 00
State Prison	1,200 00
State Library	350 00
Adjutant and Quarter Master Generals	150 00
State House	1,200 00
School moneys to be refunded	200 00
Seat of Government, (including library fund)	1,760 00
Estates without heirs, to be refunded	1,073 00
Conscientious fines to be distributed	536 00
Revenue of 1839, subject to be drawn by Fund Commissioners	2,387 00—\$108,056 00

Leaving an estimated balance in the treasury on the 1st of December, 1840 of \$327 10.

The foregoing exhibits and estimates show that the payments into the treasury during the financial year 1839, (up to the 31st October,) amounted to \$210,124 57, and that the disbursements during the same period, have been \$179,658 25; leaving a balance in the treasury on the 1st November, 1839, of \$30,466 32.

The schedule of estimates for 1840, exhibits the probable means of the treasury for that year, including the above balance, and all anticipated payments from other sources, applicable to the ordinary expenses of the State, at \$108,383 32.

The expenditures and liabilities of the State coming within the scope of the ordinary expenses, for the same period, are estimated

at \$108,056 00; which will leave in the treasury at the close of the year 1840, (supposing the claims on the treasury then due shall have been paid,) the sum of \$327 32.

In the estimates of the receipts and disbursements for 1839, in my last annual report, it was anticipated that there would be a balance in the treasury at the close of 1839 of only, \$990 15; but those estimates were based upon the supposition that the sum of \$40,000, (being the product of five cents on the \$100 of the property tax,) would be appropriated to the payment of interest on improvement loans; but it being left in the treasury, has of course, swelled the balance on hand, as now exhibited, much above the estimate of last year.

I again recur, with pleasure, to the prompt collection and faithful payment into the treasury of the public revenue, by the several collectors. An apprehension was expressed in my last report, that, owing to the then embarrassed condition of the country, the collection of the revenue would be more tardy and incomplete than had thereunto been usual, but fortunately it resulted in as prompt and complete collection as had been done in any previous year. But in the present revulsion and derangement in relation to money matters, and the general pressure, which every where seems to bear with peculiar severity upon the community, it is greatly to be feared that the apprehensions intimated last year, will be fully realized the present, in relation to the collection of the revenue; more especially as the amount to be collected the present, is nearly double that of last year.

If however, the difficulty here apprehended be verified at the period when it shall become the duty of collectors to make their payments into the treasury, by a failure to collect any considerable portion of the revenue, the legislature will be advised of the extent, and such other matters connected therewith, as will enable the General Assembly to provide for the contingency in such manner as it may deem most appropriate.

The assessments the present year show an increase, both in the number of polls and the amount of taxable property, indicating a continuance of our usual prosperity and growth, both in population and wealth, notwithstanding the pecuniary embarrassments which seem to bear so heavily upon the country-

It will be seen that the nett revenue from polls the present year, is estimated at \$45,000. This amount, together with the balance in the treasury, and the amount out on loan, will barely defray the ordinary expenses of the State for the year 1840. It will be incumbent upon the General Assembly to provide some additional means, beyond the poll tax, for the support of the government for the year 1841. The nett amount of revenue which may be expected from the poll tax in 1840, (and upon which the support of the government for 1841 must rely,) cannot exceed \$50,000. There is now, no provision by law for any other means to defray the expenses of 1841, which (if strict economy be observed,) may be estimated at \$95,000, leaving a deficit, to be otherwise provided for of \$45,000.

As the expenses of 1841, must necessarily rest upon the revenue

assessed and collected in 1840, the prospective provisions required to meet this estimated deficit of 1841, will seem to require the attention of the General Assembly during its present session.

As the subject of the payment of the interest on the public debt, belongs to another department, I refrain from making any remarks in relation thereto.

Under the acts of the last session of the general assembly, loans have been made of funds belonging to the treasury proper, to the amount of \$29,167, at one year, and at ten per cent interest. There has also been received from the State Bank of Indiana \$9,321 13 of the fund arising from the annual tax of 12½ cents on each share of bank stock for the support of common schools. This amount together with the interest, has been loaned under the provisions of the act for loaning the College funds. A schedule of the names of the borrowers of each of these funds is herewith appended.

The operations in the several departments of the Loan office, continue to be safe and successful, but some tardiness in payment of interest has recently occurred, although no sales for non-payment have yet been found necessary the present year.

The payments on account of the State House, and incidental expenses of the last General Assembly, liquidated and paid under the provisions of the act of 1837 amount to about \$650 00, a schedule of which will accompany my report in relation to the State House.

All of which is respectfully submitted,

N. B. PALMER.

Treasurer of State.

STATEMENT A.

COLLEGE FUND.

Report of the operations of the College Fund from the 1st December, 1838, to the 31st October, 1839.

RECEIPTS.

Amount received from William Alexander, Commissioner of Reserve Township in Monroe county,	-	-	1,814	00
Amount received from James Smith, Commissioner of Reserve Township in Gibson county,	-	-	500	00
Loans refunded,	-	-	7,404	50
Interest on Loans,	-	-	4,541	47
Amount over Loaned,	-	-	402	54
				<hr/>
				\$ 14,662 51

CONTRA.

Amount paid Trustees in Ripley county,	-	-	-	68	82
Amount of Loans,	-	-	-	-	148 00
Incidental expenses,	-	-	-	-	9 82
Cash on hand,	-	-	-	-	121 14
					<hr/>
					\$347 78

STATEMENT D.

STATE BANK SCHOOL FUND

Report of the operations of the State Bank School Fund, from the 1st December, 1838 to the 31st October, 1839.

RECEIPTS.

Amount received from the State Bank,	-	-	-	9,321	13
Interest on Loans,	-	-	-	-	922 50
Amount over Loaned,	-	-	-	-	6 37
					<hr/>
					\$10,250 00

CONTRA.

Amount of Loans as per list accompanying,	-	-	10,250	00
				<hr/>
				\$10,250 00

Contingent Expenses from 1st of December 1838 to October 31st 1839.

Paid, John Cain, for postage,	-	-	-	87	42
“ J. A. Matson, Commissioner for running the boundary line between this and the State of Ohio,	-	-	-	195	18
“ J. M. Wallace, Private secretary of Governor	-	-	-	50	00
“ B. Brown, extra services as Sergeant-at-Arms of the H. R. 1838.	-	-	-	40	00
“ W. F. Reynolds, for enclosing Tippecanoe Battle Ground,	-	-	-	48	25
“ S. C. Stevens, counsel in the Saline Land suit in Dearborn county,	-	-	-	2,15	00
“ J. Morrison, Counsel in relation to the L. & I. R. R. company,	-	-	-	20	00
“ J. Kelly, repairs on Governor's Circle,	-	-	-	50	
“ M. T. Miller, 2 years subscription for Bicknell's Reporter for use of Treasurer's office,	-	-	-	6	00
“ L. C. Lewis, for recording deed,	-	-	-	1	00
“ B. Allee, for repairs on Governor's Circle,	-	-	-	2	00
“ J. Cain, for postage,	-	-	-	82	53
“ Espy and Sloan, furniture for auditor's office,	-	-	-	14	00

" Morris Hazlett & co. stationary for Auditor's office,	13	13
" S. S. Rooker, repairs on Governor's Circle, - -	1	12
" Rowlett's Interest tables for Treasurer's office, -	5	00
" Allen and Stadts, repairs on Governor's Circle, -	1	31
" J. Cain, for postage, - - - -	113	41
" W. Bowen, for transportation, - - - -	3	18
" W. Tate, storage of public arms, - - - -	23	20
" J. Cain, for Postage, - - - -	115	81
" W. Parker, repairs on Governor's House, - -	1	50
" C. Williams, for Map frames, - - - -	18	00
" B. Allee, repairs on Governor's Circle, - -	2	12

\$1,059 66

Amount paid by the Treasurer for stationary, carriage, &c., from December 1st, 1838 to October 31st, 1839.

Bought of the Richmond Trading & Manufacturing Co.

200 Reams of Royal, No. 3,	a 4 00	800 00
" 1 " " No. 1,	a 5 00	5 00
" 80 " Post No. 1,	a 3 75	300 00
" 20 " Fancy Post,	a 4 75	95 00
" 20 " Post, No. 1,	a 4 50	90 00
" 20 " Cap, No. 1,	a 3 25	65 00
Transportation of same	- - - -	67 42
" 301 Reams Royal No. 3	a 4 00	1,204 00
Transportation of same,	- - - -	78 26

Bought of Sheets & Grover,

367 Reams Royal, No. 3,	a 4 00	1,468 00
" 61 " Envelope	a 5 00	305 00
Transportation of same,	- - - -	111 61

LIST OF BORROWERS OF THE COLLEGE FUND.

Robert D. Alexander,	\$500 00	Jas. P. Drake	500 00
James Duncan	50 00	Wm. Gaston	300 00
Harry Pierson	500 00	Loyal Fairman	400 00
Moses Fatout	250 00	P. K. Landis	400 00
Jer. Sullivan	400 00	Hiram Hunt	400 00
Sam'l Melogue	137 50	Levi Jessup	500 00
Lewis W. Denton	500 00	Mincher L. Cox	500 00
Joseph Poyner	200 00	F. Vanvost & W. R. Foster	325 00
Wm. M. Kenton	500 00	Joseph Herren	325 00
Williamson D. Alexander	500 00	Henry Myers	200 00
Hugh P. Smith	150 00	John Jamison	500 00
Wesly Spitler	300 00	H. W. Clark	500 00
G. Rubush & L. Spencer	200 00	A. B. Cole	500 00
David Knight	160 00	Jas. Pugh	200 00
Jno. M. Wood	500 00	Geo. W. Mears	500 00
Jno. Standeford	250 00		

\$11,197 50

A LIST OF BORROWERS OF THE SALINE FUND.

W. J. Brown	500 00	Wm. Boles	500
Abner Sanborn	250 00	Isaiah Reed	300
J. Matthews & M. Lang	500 00	Adam Hamilton	200
Peter Lemaster	300 00	E. Gregg	150
J. M. Ewing	500 00		
			<hr/>
			\$3.200 00

A LIST OF BORROWERS OF THE STATE BANK SCHOOL FUND.

Grimes Dryden	\$350	James Hamilton	\$250
John Alexander	100	Wm. Chrisman	200
John Ross	500	Joshua Picket	200
Jabes Burnet	200	John Merritt	100
B. Lawhead	300	George Wight	500
Harmon Hiatt	500	Jno. W. Cord	250
Levi Comegys	300	William Dusan	300
Bently Alley	250	John Farnselere	100
T. M. Willis	500	John W. Sims	500
M. G. Bright	500	Wm. H. Brumfield	500
J. D. Bright	500	John Megee	500
Aaron Johnson	400	T. M. Smith	500
Robert Patterson	500	D. Yandes	500
Adam Turner	300	Rice & Nave	650
			<hr/>
			\$10,250 00

A LIST OF BORROWERS OF THE TREASURY FUND.

Daniel McClery	\$250	Jno. W. Osborn	450
James A. Merryman	100	Richard Williams	500
Wm. M. McCoy	500	Jno. Essary	150
J. B. Nichol	500	Benj. Smith	310
Nathaniel Teal	500	J. Blankenship	500
John S. Sebern	150	Daniel Barker	50
Hiram H. Lewis	400	Joel A. Rouse	150
John Bare	150	Joshua Glover	355
D. Maguire	500	Wm. Means	100
A. W. Morris	500	Hiram Bacon	300
J. S. Willets	450	A. & G. Delliner	120
W. Laws	100	Noble Banks	100
Jas. Vanblaricum	500	Jno. St. Clair	500
Jas. Tracy	100	Alx. Foster	110
Jno. Matthews	200	Harvey Sharpe	350
Wm. Railsback	150	Mecheck Hale	320
Edmund Lovett	300	Charles Neil	320
Jas. Perham	400	E. R. Willock	380
Jno. Crowder	500	M. H. Brown	505
Wm. R. Deford	225	Wm. Sanders	200

J. E. McCluer	\$300	Silas Seely	100
Jno. Hunter	125	Martin Z. Saylor	112
Abel Swords	400	David Todd	100
Sam'l Fisher	225	Wm. Martin	500
Jno. C. Stewat	350	Nathan Lister	400
Benj. Boon	500	Jacob Kingry	75
Henry Carroll	500	A. R. Phipps	100
Jno. W. Baty	400	Sam'l Neil	500
L. D. Wright	190	James M. Crist	200
M. Kirkham	150	Peter Gregory	250
Jas. Eakin	320	E. Dumont	275
Dan'l Stuck	300	F. W. Emmons	300
Tho. Shelton	300	Thos ^r Bonine	100
Wm. H. Campbell	500	Joseph Marsh	200
Wm. N. Dusan	275	Jno. McGee	500
Elijah Barratt	300	Wm. L. Ross	500
N. Trotter	200	Nathan Aldrich	500
Wm. Harvey	500	Jno. Sheets	500
Henry Chase	200	Benj. N. Grover	500
Tho. Bell	325	Nicholas Kearns	500
Greenbury Rush	500	Talman Tripp	500
Chas. Cox	100	Wm. Polke	500
David Spencer	100	Wm. Bell	300
John Stipp	200	Alfred Posey	500
A. McLoney	75	A. H. Dawson	275
Jno. Russel	300	Asa Gooding	500
Henry Spong	500		

\$29,167 00

REPORT
OF THE
TREASURER OF STATE,
IN RELATION TO THE SURPLUS REVENUE.

NOVEMBER 15, 1839.

To the Hon. General Assembly of Indiana :

The undersigned herewith communicates the following Report in relation to the operations and condition of the Surplus Revenue of the United States, deposited with this State under the provisions of the act of Congress of the 23d June, 1836; for the fourth quarter of 1838 and first, second, and third quarters of 1839.

The accompanying abstracts will exhibit the situation of the Surplus Revenue distributed among the several counties, so far as the undersigned is able to communicate from the reports which have reached this office from the Loaning Agents.

Notwithstanding the penalties imposed by the act of the last session of the General Assembly, upon clerk's of the circuit courts, who may neglect to certify to the Treasurer of State the fact of the Loaning Agent having entered into bond as required by law; yet the requirements of the act are in a majority of the counties disregarded, there having been only 35 out of the 84 clerk's that have so certified as is made their duty by law.

It is to be regretted that many of the Loaning Agents also, fail to make their reports to this office. For the second and third quarters of the present year, (being the two quarters in which nearly the whole business is transacted,) the agents of the counties of Clark, Clay,

Crawford, Daviess, Fayette, Fountain, Grant, Kosciusko, Laporte, Marshall, Owen, Perry, Pike, Putnam, and Rush have failed to make any report. These agents, fifteen in number, have under their charge \$103,874 of this fund, and yet the undersigned is unable to communicate to the General Assembly its situation or condition, because of the neglect of these agents in failing to report as required by law.

There is great reason to apprehend much loss to this fund, in consequence of the inadequate security which has been taken on loans resting on personal security, in many instances. For although the securities may, at the time the loan is offered, be apparently of undoubted character as to pecuniary responsibility, yet owing to the extraordinary amount of indebtedness, growing out of the recent season of speculation, and the subsequent revulsion, and depression in the price, and want of demand for lands and other property for which this indebtedness was created, very many who were regarded as safe and solvent men, and as such have been taken as security on loans of this fund, are now utterly unable to meet their own liabilities, much less to pay a security debt.

I still feel it my duty to urge, that this fund will be unsafe and much of it entirely lost, unless the practice of loaning it on personal security be abandoned. Although in some counties and under the charge of some agents, it may be safe, yet in the general the losses will be no inconsiderable sum annually, and in a few years will form an aggregate which will be found to have amounted to, and wasted a considerable moiety of the principal originally deposited with the State.

The amount paid and paying for collections of this fund, when coercion by law becomes necessary, is likely to consume a considerable portion of the interest. There is no uniformity in the prices, or per cent., paid for collection by the different agents. In some instances the charges have been much too high. I would respectfully suggest the propriety of fixing by law the percent, which should be allowed.

The proportion of loans the present year, have been about three-fourths on personal and one-fourth on mortgaged security, being a larger proportion on personal security than last year: a change very unfavorable to the security of the fund.

All of which is respectfully submitted

N. B. PALMER,—*Treasurer of State.*

Treasurer's Office, Nov. 1, 1839.



Tabular Statement of the operations of the Agencies for loaning the

COUNTIES.	AGENTS.	Amount of interest received on loans.	Balance of principal on hand at close of last quarter.	Balance of interest on hand at close of last quarter.	Loans refunded.
Allen	Joseph Morgan				
Adams	John K Evans				
Bartholomew	Joshua Sims				
Boon	Adison Lane				
Brown	William Taggart				
Clark	Peter Smith				
Clay	John Osborn				
Crawford	I N Phelps				
Carroll	Samuel Grimes				
Cass	Gillis McBean				
Clinton	J H Dunn				
Dearborn	William Perry				
Decatur	A R Forsyth				
Daviess	W C Berry				
Dubois	Daniel Harris				
Delaware	D Kilgore				
Elkhart	Joseph Gregory				
Fayette	John Willey	10 66½			133 33½
Floyd	R Downey				
Franklin	John Wynn				
Fountain	F Merrill	287 06			
Fulton	A Chamberlain				
Gibson	John Hargrove	10 80			
Green	John Jones, jr.				
Grant	Isaac Bedsant	265 50			
Hamilton	H W Clark	2 65			25 00
Harrison	A Vance				
Hendricks	W L Matlock				
Henry	J Macy	95 92	125 00		150 00
Hancock	J Dunbar				
Huntingdon	G A Fate				
Jackson	M W Shields				
Jefferson	J D Bright				
Jennings	A Andrews				
Johnson	F M Finch				879 64
Jay	John Pingry				
Knox	William Scott		800 00		91 66½
Kosciusko	Peter L Runyan	44 64			30 00
Lawrence	A H Dunihue				
Lagrange	E Littlefield				

Surplus Revenue for the quarter ending on the 30th day of Nov. 1838.

Loans on mortgage security.	Loans on personal security.	Amount paid over to school commissioners	Bl'ce of principal on hand.	Balance of interest on hand.	REMARKS.
					No return. No business transacted. No bus. except a jug'nt for Informal return. [\$271
					No return. No return. No business done. No business done. No business done. No business done. No return. No business done. No business done. No return. No return. No business done.
		118 50			
	133 33	10 66 $\frac{2}{3}$			
		237 06			No return. No business done.
		10 80			No return.
		265 50			No return.
	25 00	2 00		65	No business done. No business done.
275 00		95 29			No business done. No return. No return. No return.
		200 00			No return.
250 00	629 64	44 32			No return.
			891 66 $\frac{2}{3}$		No return.
	30 00	44 64			No return. No return.

Tabular statement of the operations of the Agencies for loaning the
Dr.

COUNTIES.	AGENTS.	Amount of Interest received on loans	Balance of principal on hand at close of last quarter.	Balance of interest on hand at close of last qr.	Loans refunded.
Laporte	John Brown				
Madison	W. G. Atherton	8 00	79 20		4 00
Marion	J. Elder				
Martin	Thos. Gootee				
Monroe	S. Patton				
Montgomery	W. S. Galey				
Morgan	W. H. Craig				
Miami	A. Cole				
Marshall	S. D. Tabor	46 40			
Noble	T. Smith				
Orange	A. Morris				
Owen	J. Westfall				
Parke	J. P. Sunderland	163 49	495 33	280 64	228 41
Perry	John Elder				
Pike	T. C. Stewart	7 50			
Posey	J. Cash				
Putnam	Isaac Mahon	22 00	188 31		100 00
Porter	S. Ball				
Randolph	W. M. Way				
Ripley	John S. Watts				
Rush	F. Bigger	1,142 06			3,655 42
Scott	J. V. White				
Shelby	R. Mayhue				
Spencer	Jas. Jones				
Switzerland	J. F. Dufour			182 13	
St. Joseph	E. P. Taylor				
Sullivan	A. Snapp	103 50	8 67		100 00
Steuben	J. Pearce				
Tippecanoe	W. M. Jeners	191 71	16	101 77	764 00
Union	Jas. Perry				
Vanderburgh	N. Rawley	16 16	47 33		113 92
Vermillion	W. H. H. Scott				
Vigo	W. McFadden				
Warrick	W. Smith	12 28	153 58		
Washington	E. Newland				
Wayne	J. R. Lamson				
Warren	E. F. Lucas	4 00	59 30		
White	W. M. Kenton				
Wabash	D. Richards				

Surplus Revenue for the quarter ending on the 30th day Nov., 1838.
CR.

Loans on mortgage security	Loans on personal property.	Am't paid over to school commissioner.	Balance of principal on hand	Balance of interest on hand.	REMARKS.
	50 00	8 00	33 20		No return
					No business done.
					No business done.
					No business done.
					No return.
					No return.
		46 40			No return.
					No business done.
	723 75	444 12			No return.
		7 50			No business done.
	225 00	35 00	53 33		No business done.
					No business done.
					No business done.
600 00	2,915 00	1,158 29	140 42		No return.
					No return.
		182 13			No business done.
	108 67	103 50			No business done.
	764 00	225 00	16	68 48	No business done.
	150 00	16 16	11 25		No return.
					No return.
153 58		12 28			No return.
	50 00		9 30	4 00	No business done.
					No return.
					No business done.

Tabular Statement of the operations of the Agencies for loaning the

Counties.	AGENTS.	Amount of interest received on loans.	Balance of principle on hand at close of last qr.	Balance of interest on hand at close of last qr.	Loans refunded.
Allen	Joseph Morgan				
Adams	John K Evans				
Bartholom.	Joshua Sims				
Boone	A Lane	5 00	62 72		
Brown	Wm Taggart	16 54	4 14	5 46	50 00
Clark	Peter Smith				
Clay	John Osborn				
Crawford	J N Phelps				
Carroll	S Grimes				
Cass	G McBean				
Clinton	J H Dunn				
Dearborn	W Perry	86 16			477 00
Decatur	A R Forsyth				
Daviess	W C Berry				
Dubois	Daniel Harris				
Delaware	David Kilgore				
Elkhart	Joseph Gregory				
Fayette	J Willey				
Floyd	R Downey				
Franklin	John Wynn				
Fountain	F Merrill				
Fulton	A Chamberlain				
Gibson	J Hargrove				
Green	J Jones, jr.				
Grant	I Bedsant				
Hamilton	H W Clark			65	
Harrison	A Vance				
Hendricks	W L Matlock	16 00			198 60
Henry	J Macy				
Hancock	J Dunbar				
Huntingt'n	G A Fate				
Jackson	M W Shields				
Jefferson	J D Bright	27 00	24 85		200 00
Jennings	A Andrews				
Johnson	F M Finch				
Jay	J Pingry	43 00			425 00
Knox	W Scott	4 00	891 66		50 00
Kosciusko	P L Runyan				
Lawrence	A H Dunihue	104 85	1 08		1,084 00
Lagrange	E Littlefield				

Surplus Revenue, for the Quarter ending on the 28th day of Feb. 1839.

Loans on mortgag'd security.	Loans on personal security.	Am't. paid over to S.Com.	Bal'nce of prin- ciple on hand.	Bal'nce of inte- rest on hand.	Remarks.
					No return No business trans'd. No business done
	62 72 26 14	5 01 22 00	28 00		
					No return No return No return No business done No return No return
	477 00	86 16			No business done No business done No business done No return No business done No return No return No business done No return No return No business done No business done No return
200 00				65	No business done No business done
				4 60	No return No return No return No return
	200 00	27 00	24 85		
205 00	205 00	43 00 4 00	15 00 941 66		No return No business done
	475 00		610 08	104 85	No return No return

Tabular Statement of the operations of the agencies for loaning the

COUNTIES.	AGENTS.	Amount of interest received on loans	Bal'ce of principal on hand at close of last quarter	Bal'ce of interest on hand at close of last qr.	Loans refunded.
Laporte	J Brown				
Madison	W G Atherton		33 20		50 00
Marion	J Elder				
Martin	T Goote				
Monroe	S Patten				
Montgomery	W S Galey				
Morgan	W H Craig				
Miami	A Cole				
Marshall	S D Tabor	8 00	100 00		
Noble	T Smith				
Orange	A Morris				
Owen	J Westfall				
Parke	J P Sunderland				
Perry	John Elder				
Pike	T C Stewart				
Posey	J Cash				
Putnam	J Mahon	37 01	50 31		243 00
Porter	S Ball				
Randolph	W M Way				
Ripley	J S Watts				
Rush	F Bigger				
Scott	J V White				
Shelby	R Mayhue				
Spencer	J Jones				
Switzerland	J F Dufour	14 73			110 00
St. Joseph	E P Taylor				
Sullivan	A Snapp	1 20			
Steuben	J Pearce				
Tippecanoe	W M Jeners	124 85		16 68 48	
Union	J Perry				
Vanderburgh	N Rawley	90	11 25		
Vermillion	W H H Scott				
Vigo	W McFadden				
Warrick	W Smith				
Washington	E Newland				
Wayne	J R Lamson				
Warren	E F Lucus	34 24	9 30	4 00	51 91
White	W M Kenton				
Wabash	D Richards				

Surplus revenue for the quarter ending on the 28th day of Feb. 1839.

Loans on mortgage Security.	Loans on personal Security.	Amount paid over to school Comm's	Bal'ce of principal on hand.	Bal'ce of interest on hand.	Remarks.
			83 20		No return.
					No business done.
					No return.
					No business done.
					No return.
					No return.
					No return.
100 00		8 00			No return.
					No business done.
					No business done.
					No return.
					No return.
					No return.
					No return.
57 50	200 00	15 00	25 81	22 01	No return.
					No business done.
					No business done.
					No return.
					No return.
					No return.
					No business done.
					No business done.
	110 00			14 73	No business done.
				1 20	No business done.
		68 00	16	125 33	No return.
	11 25			90	No return.
					No return.
					No return.
					No business done.
					No business done.
					No business done.
50 00		38 24	10 21		No return.
					No business done.

Tabular statement of the operations of the Agencies for loaning the

COUNTIES.	AGENTS.	Amount of interest received on loans	Bal'ce of principal on hand at close of last quarter.	Bal'ce of interest on hand at close of last qr.	Loans refunded.
Allen	J Morgan	235 51			817 99
Adams	J K Evans	71 93			357 23
Bartholomew	J Sims	309 48			2,104 35
Boone	A Lane	391 33			753 43
Brown	W Taggart	101 92	28 00		318 30
Clark	P Smith				
Clay	J Osborn				
Crawford	E Wylie				
Carroll	S Grimes	529 36			1,199 96
Cass	G McBean	441 53			594 43
Clinton	J H Dunn	410 75			981 66
Dearborn	J McPike	685 06	4 06		2,689 04
Decatur	A R Forsyth	755 57			2,860 64
Daviess	W C Berry				
Dubois	D Harris	210 66	73 33		883 00
Delaware	J Hodge	140 00			808 66
Elkhart	J H Barnes				
Fayette	R D Helm				
Floyd	R Douney	712 88			2,831 00
Franklin	J Wynn	854 25			5,100 53
Fountain	F Merrill				
Fulton	A Chamberlain	170 00			
Gibson	J Hargrove	346 02		10 80	2,095 97
Green	J Jones jr	176 00			383 33
Grant	S McClure				
Hamilton	H W Clark	460 96			1,350 62
Harrison	A Vance	725 68			4,453 50
Hendricks	W L Matlock	719 53		4 60	4,035 41
Henry	W Clift	730 26			410 00
Hancock	A T Hart	394 10			1,691 72
Huntington	G A Fate				
Jackson	M W Shields				
Jefferson	J D Bright	660 40	24 85		3,953 33
Jennings	A Andrews	351 45			1,152 90
Johnson	F M Finch				
Jay	J Pingry	28 80	15 00		20 00
Knox	C Polk	353 54	941 67		1,916 31
Kosciusko	C Lightfoot				
Lawrence	A H Dunihue	663 77	611 16	104 85	2,933 41
Lagrange	E Littlefield	49 71		279 80	204 39

Surplus revenue for the quarter ending on the 31st day of May, 1839.

Loans on mortgage security.	Loans on personal security.	Amount paid over to school commissioners	Bal'ce of principal on hand.	Bal'ce of interest on hand.	Remarks.
		235 51	817 99		
	320 73		36 50	71 93	
2,046 85		309 48	57 50		
30 78	258 79	391 33	463 86		
280 00	13 30	73 00	55 00	28 92	No return.
					No return.
					No return.
		529 36			
		431 33	594 43		
	981 66	410 90			
100 00	1,963 00	453 00	620 10	232 06	
233 33	2,627 30	755 57			
					No return.
100 00	783 00	210 66	73 33		
			808 66	140 00	No return.
					No return.
2,831 00		712 88			
500 00	4,544 00	854 26	56 54		No return.
					No return.
		170 00			
200 00	1,840 00	250 00	55 97	104 50	
100 00		150 00	283 33	26 00	
					No return.
318 00	920 00	430 12	112 62	30 84	
	3,891 00	725 68	562 50		
2,600 00	1,435 41	724 13			
150 00		662 00	260 00	68 26	
		394 10	301 00		
					No return.
					No return.
300 00	3,400 00	660 40	278 18		
150 00	1,002 90	351 45			
					No return.
	80 00	20 00		8 80	
525 00	1,050 00	175 00	1,242 98	178 54	No return.
	3,508 00	768 62	36 57		
		325 13	204 39		

Tabular Statement of the operations of the Agencies for loaning the

COUNTIES.	AGENTS.	Amount of interest received on loans.	Balance of principal on hand at close of last quarter.	Balance of interest on hand at close of last qr.	Loans refunded.
Laporte	John Brown				
Madison	W G Atherton	311 66	83 20		787 65
Marion	John Elder	506 36		28 00	6,335 02
Martin	Caleb Reinhart	110 00			33 33
Monroe	John McCorkle	312 36			1,367 49
Montgomery	W S Galey	1,050 00			
Morgan	James Crawford	487 64			6,095 57
Miami	A Cole				
Marshall	S D Tabor				
Noble	T Smith				
Orange	A Morris	598 50			150 00
Owen	J Westfall				
Parke	J P Sunderland	444 08			3,080 66
Perry	J Elder				
Pike	T C Stewart				
Posey	J Cash	641 64			
Putnam	J Mahon				
Porter	S Ball	157 34			66 67
Randolph	W M Way	488 31			3,209 22
Ripley	Davis P Shook	424 62			386 66
Rush	F Bigger				
Scott	J V White	324 49	14 42	297 59	2,098 86
Shelby	R Mayhue	567 14			4,169 85
Spencer	J Jones	348 09			1,991 96
Switzerland	J F Dufour	371 68		14 73	1,920 17
St. Joseph	E P Taylor	456 84			1,017 25
Sullivan	A Snapp	363 99			1,431 57
Steuben	J Pearce				
Tippecanoe	W M Jeners	143 97	16	125 33	66 67
Union	J Perry	460 96			2,135 25
Vanderburgh	N Rawley	124 56		90	875 25
Vermillion	W H H Scott	453 71	13 19	161 13	3,318 33
Vigo	W McFadden	778 56			5,123 66
Warrick	W Smith	197 99			916 66
Washington	E Newland	994 24			6,166 17
Wayne	J R Lamson	1,637 18			9,009 00
Warren	John Lowry	113 33	11 26		522 59
White	W M Kenton	93 09		143 54	367 18
Wabash	J D Cassatt	154 71			191 66

Surplus Revenue, for the quarter ending on the 31st day of May, 1839.

Loans on mortgage security.	Loans on personal security.	Amount paid over to school commissioners	Balance of principal on hand.	Balance of interest on hand.	REMARKS.
300 00	330 00	220 00	240 85	91 66	No return.
3,471 66	2,713 26	624 00	150 00		
33 33			805 47	110 00	
143 33	1,224 16	312 36			
		1,050 00			
350 00	5,745 57	487 64			
					No return.
					No return.
					No return.
150 00		573 50			
	2,980 00	444 08	100 66		No return.
					No return.
		641 64			No return.
		157 34	66 67		
783 33	2,425 88	488 31			
	386 66	175 00		249 62	
		404 97		217 11	No return.
366 67	3,797 00	567 14	6 18		
750 00	965 00	348 09	276 96		
666 67	1,124 50	300 00	129 00	86 42	
619 00	299 00		99 25	456 84	
250 00	1,179 00	350 00	2 57	13 99	
					No business done.
	66 67	125 00	16	144 30	
	2,224 92	327 00		127 96	
595 00	150 00		130 25	125 46	
750 00	1,074 00	411 13	1,507 52	203 72	
1,000 00	3,720 00	703 52	403 66	12 19	
916 66		198 00			
845 00	5,202 23	948 00	118 94	36 24	
750 00	7,218 00	1,637 18	1,041 00		
			433 85	113 33	
	266 66			236 63	
		154 71	191 66		

Tabular statement of the operations of the Agencies for loaning the

COUNTIES.	AGENTS.	Amount of interest received on loans.	Balance of principal on hand at close of last quarter.	Balance of interest on hand at close of last qr.	Loans refunded.
Allen	Joseph Morgan	222 13	817 99		1,447 95
Adams	J. K. Evans	150 85		68 28	578 27
Bartholomew	Joshua Sims				
Boone	A. Lane				
Brown	Wm. Taggart	49 40	55 00	28 92	170 00
Clark	Peter Smith				
Clay	John Osborn				
Crawford	E. Wylie				
Carroll	S. Grimes				
Cass	G. McBean				
Clinton	J. H. Dunn				
Dearborn	J. McPike				
Decatur	A. R. Forsyth				
Daviess	Wm. C. Berry				
Dubois	D. Harris				
Delaware	James Hodge	172 78	778 66	140 00	842 20
Elkhart	J. H. Barnes	404 28			
Fayette	R. D. Helm				
Floyd	R. Downey	712 88			2,831 00
Franklin	John Wynn	16 45	56 54		40 00
Fountain	F. Merrill				
Fulton	A. Chamberlain				
Gibson	John Hargrove	158 04	55 97	104 50	577 26
Green	J. Jones, Jr.	188 70	283 33	26 00	90 00
Grant	J. Bedsant	131 94			90 77
Hamilton	H. W. Clark	24 00	112 62	41 84	14 00
Harrison	A. Vance	176 53	562 50	725 68	1,173 00
Hendricks	W. L. Matlock				
Henry	Wilson Clift	241 00		14 53	
Hancock	Andrew T. Hart				
Huntington	G. A. Fate	170 04			533 33
Jackson	Hugh A. Findley	292 63			1,998 00
Jefferson	J. D. Bright	217 12	278 18		843 94
Jennings	A. Andrews	56 75			263 65
Johnson	F. M. Finch	42 40			456 67
Jay	J. Pingry				
Knox	Charles Polke	24 00	1,242 00	487 66	680 00
Kosciusko	C. Lightfoot				
Lawrence	A. H. Dunihue	37 35	36 57		183 35
Lagrange	E. Littlefield	103 03	145 74		364 44

Surplus Revenue for the quarter ending on the 31st day of Aug., 1839.

Loans on mortgage security	Loans on personal security.	Am't paid over to school commissioner.	Balance of principal on hand	Balance of interest on hand.	REMARKS.
250 00	2,015 94	222 13			
60 00	518 27	156 45			No business done.
150 00	70 00	73 29	5 00	5 03	No business done.
					No return
					No return.
					No return.
					No return.
					No return.
					No return.
					No return.
					No business done.
					No return.
169 00	145 98	380 00	1,305 88	63 42	
		354 28			No return.
	2,831 00	712 88			
	96 54	16 45			No return.
					No return.
200 00	408 00	240 00	25 23	22 34	
285 00	50 00	214 71	38 33		
	90 77	127 00		4 94	
		54 84	126 62	11 00	
	1,735 50	897 21			No business done.
		199 00		56 53	No report.
400 00	133 33	170 04			
522 00	1,431 41	200 00	44 60	92 63	
	950 00	217 12	172 12		
	263 65	56 75			
330 00	126 67			42 40	
					No return.
825 00	1,061 66	411 00	35 33	25 66	No return.
	66 67	37 25	153 25		
105 50	187 60		217 08	99 79	

Tabular Statement of the operations of the Agencies for loaning the

Counties.	AGENTS.	Amount of interest received on loans.	Balance of principal on hand at close of last yr.	Balance of interest on hand at close of last yr.	Loans refunded.
Laporte	John Brown				
Madison	W G Atherton	48 91	240 85	91 66	286 73
Marion	John Elder		150 00		
Martin	C Rheinhardt	188 72	805 47	110 00	331 60
Monroe	J McCorkle	295 13			1,657 26
Montgo'ry	W S Galey	51 69			300 00
Morgan	J Crawford	125 12			1,564 00
Miami	Albert Cole	152 00			
Marshall	S D Tabor				
Noble	Thomas Smith	155 00			121 64
Orange	A Morris				
Owen	J Westfall				
Parke	J P Sunderland	244 18	100 66		1,643 33
Perry	J Elder				
Pike	T C Stewart				
Posey	J Cash				
Putnam	J Mahon				
Porter	Philand'r A Paine	33 15			66 67
Randolph	W M Way				
Ripley	D P Shook				
Rush	F Bigger				
Scott	J V White	23 43	6 18		2,113 30
Shelby	R Mayhue	124 78	6 16		604 50
Spencer	J Jones	4 00			16 67
Switzerl'd	J F Dufour	77 31	129 00	86 42	196 91
St. Joseph	E P Taylor	26 72	100 25	436 84	288 00
Sullivan	A Snapp	175 72	2 57	13 99	243 00
Steuben	J Pearce	170 05			1,279 93
Tippecan'e	W M Jenners	240 48	16	144 30	250 00
Union	J Perry	53 87	38 29	127 96	233 00
Vanderb'h.	N Rawley	142 19	130 25	125 46	669 32
Vermillion	W H H Scott	189 76	1,507 52	203 72	355 00
Vigo	W McFadden				
Warrick	W Smith	155 45			608 25
Washing'n	E Newland	9 51	118 94	36 94	
Wayne	J R Lamson	83 28	1,041 00		
Warren	J Lowry	258 82	433 86	113 33	388 60
White	W M Kenton				
Wabash	J D Cassatt	15 34	191 66		100 00

Surplus Revenue, for the Quarter ending on the 31st day of Aug. 1839.

Loans on mortgage security.	Loans on personal security.	Am't. paid over to S.Com.	Bal'nce of principal on hand.	Bal'nce of interest on hand.	Remarks.
	450 00	82 66	77 58 150 00	57 91	No return
376 67	1,137 07	298 72			
100 00	1,280 59	294 13			
267 00	200 00	35 31			
	1,297 00	122 48		2 64	
		152 00			
			121 64	155 00	No return
					No return
	1,275 00	444 08	469 00		No return
					No return
					No business done
	66 67	5 15		28 00	No return
					No business done
2,057 04					No return
		11 27	62 44	12 16	
	604 50	124 78	6 18		
	16 67	4 00			
400 00		163 21		52	
366 25	23 00	457 28		6 28	
	245 57	189 71			
1,066 66	213 26	1700 5			
	165 00	145 00	85 16	214 78	
	90 00	180 00	81 29	1 83	
595 00	163 33		41 25	267 65	
175 00	1,687 00	393 48	52		
					No return
440 00		137 85	168 25	17 60	
	118 94	45 75			
	1,041 00	83 28			
		292 50		79 66	
					No return
	291 00	15 34	66		



REPORT

OF THE

STATE BANK.

To the General Assembly of the State of Indiana;

The 13th branch of the State Bank of Indiana, was organized at Michigan City in Feb. last, the first instalment having been paid by the State and Individual stock holders; and arrangements have been made for paying the second instalment due from the State, three months in advance, for the purpose of furnishing additional aid to the purchasers of wheat, which is the great staple of the Northern part of the State.

The second instalment due from the State has been paid into the branch at South Bend, and most of the individual stockholders have executed Mortgages as directed by the charter to secure the State for advancing the money to be paid on their behalf. But as no loan could be made by the State to make the payment for the stockholders it is still unpaid.

Books for the subscription of stock in the 14th and 15th branches, were opened in June last and the amount of stock required by the Charter to be held by individual stockholders, was subscribed, but the State being without the means to pay the first instalment on the stock, which she is to hold in these branches, no call has yet been made on the subscribers for their first instalment.

It is a subject of deep regret that the funds authorized by the last Legislature to be borrowed for the increase of State stock in the Bank, have not been obtained. The organization of three new branches and the addition of \$1,500,000, to the Bank capital of the State would have been of great advantage to its business, materially aided its revenue and furnished our enterprising citizens with banking facilities not inferior to those enjoyed in the neighboring States. The amount of capital might have been nominally less, according to our wealth and resources, yet as the State is a bona fide stockholder in all the branches, and as in a majority of them, most of the stockholders seldom bor-

row, it is believed a much larger portion of the accommodations, have had reference to the capacity for business, punctuality and integrity in borrowers, than is usual in similar institutions.

A special report will be made at an early day by the Agent who attempted to negotiate the loan for the increase of bank capital.

The statement at the conclusion of this report exhibits the condition of the Bank on the 31st October, 1839, together with a view of the result of its operations to the State. The tabular statements of the Bank and each branch will be submitted during the first week of the session, as required by the charter.

The appointment of three Directors in each branch by that part of the State Board, which is chosen by the State, has always been viewed an important means of securing the correct management of the branches. From the outset, it has been the practice to select respectable men of different parties, if such were known to exist, that an avenue might be open to hear complaints from all quarters, if any should choose to make them, and for three years it has been an object to appoint persons, who would ask no favors of the branches.

Semi-annual examinations of the branches have been regularly made, and the reports of the Examiners are on file in the office of the State Bank. No uniform mode of examining has been pursued, yet enquiries have usually been made into the liabilities of the Directors and stockholders, the security of the loans; and whether the notes, bills, cash and deposits agreed with the amounts charged; and remonstrance, admonition, or the action of the State Board has been had, in reference to matters complained of, as the general good seemed to require.

That there are serious obstacles to the correct management of Banks, as in every other useful and important business, must be apparent to all who examine the subject. The great variety of regulations prescribed by the Legislature, the numerous restrictions and penalties imposed, and the array of Directors and other officers, with peculiar and minute duties allotted to each, are evidences, that difficulties must be expected, and here, there are some peculiar to a new country. Credit and confidence are of slow growth, and when transplanted, they have so little strength and firmness, that a breath of suspicion may blast them. There would seem to be no remedy, but to investigate all complaints, justify nothing that is wrong, and yield nothing to interested and unfounded clamor.

When Bank stock is held for the benefit of widows and orphans, or by farmers, merchants or professional men, retired from the active pursuits of life, and wishing only reasonable dividends, and they constitute or choose the Directors, there will be little liability to error. When such men are to judge of the claims of others, it will be as desirable to the Bank to have good customers as for *them* to obtain accommodations. But in a new country, those who ought to hold Bank stock, are few in number; and too often it is held, not for the dividends, but to procure loans: capital is pretended to be taken from business only for the purpose of using more capital in that business;

and Directors are chosen, who accommodate themselves first, and then yield to the solicitations of others with no better claims. The result of such banking cannot well be mistaken.

Another difficulty arises from the tendency of business, and the constant efforts of borrowers, to turn what were intended to be temporary accommodations, into long loans. When this is effected to any extent, in the same proportion, new loans cease to be made, the Bank paper no longer issues regularly as a circulating medium for the country. Those who would borrow to carry off produce, or temporarily for other useful purposes, are told time after time, "the bank is not discounting." And the institution, instead of resembling the unfailing fountain, which pours a constant stream to cheer and gladden the country, becomes like the exhausted cistern, a mere deposite for dregs.

Long loans are in general not less injurious to the borrower, than to the Bank and the country. If they were only made while property was rising rapidly in price, and borrowers would be sure to sell before a fall of prices commenced, they might be more fortunate; but all experience shows that no business men are so unreasonable as those who have dealt long on borrowed capital,—that success only stimulates them to incur increased liabilities; and that the neglect to pay when money is plenty, makes the attempt hopeless when it is scarce.

The periods during which prices rise rapidly are short, compared with those in which they are about stationary or are falling; and there can be no question that in common times, the farmer cannot afford to pay a rent equal to the interest of the cost of his farm and stock; nor can the merchant afford to pay interest on what, by his credit and capital, he uses in his business. Most active men may, with advantage, pay interest for short periods, on money to aid their operations; but there are few indeed, who can meet a constant drain on their income, equal to the interest of the capital employed.

Another great difficulty in the way of useful banking is, the accommodation loans to merchants. While the balance of trade is against the State, the money, loaned for the purchase of goods from abroad, only increases the evil. And when the merchant borrows directly from the Bank, in the place of those who would circulate its paper, he takes from the people the means to do business and pay debts; and while his sales increase their liabilities, his policy cuts off the resources for payment. If he would give way to the produce buyer, the manufacturer, the employer, &c., the money loaned, after performing its proper functions among the people, would in the end come to him in payment of debts. But when he insists on being the borrower himself, his conduct is as absurd as that of the physician, who had rather *swallow* his own drugs, than *sell* them for the benefit of others.

There is still another difficulty in the way of useful banking, not less dangerous at this time, than any other. It is the spirit of party, which carried to one extreme, would injure Banks in the performance

of their proper duties, and the enjoyment of their just rights; and on the other, would perhaps support them in error to use their influence for political purposes. The business of a country can never with propriety be either the object of persecution or undue favor with any of its political parties, and it is believed this is never in fact the case with a large majority of any party, however some of its leaders may wish to have it appear otherwise. Unprincipled politicians may expect favor, by defending that which needs no defence, or that which deserves none; or they may hope by general attack and abuse to bring down all that is above them to their own level; and misrepresentations may be repeated so often as to produce their effect on the public. Yet the Bank of this State is so open to examination by its authorities, and every thing questionable as to its being safe or profitable, and as to its general policy, can be so easily ascertained, that it is hoped, that nothing, which can give general satisfaction in these matters, will be omitted. Banking cannot be conducted successfully without public confidence; and if the time ever comes, when those who manage it are not felt to be worthy of trust, and if a change cannot be had in this respect, the Bank may struggle on, but it will be to little purpose.

There is in the minds of many a strong feeling, that all, who can give security are equally entitled to bank accommodations. It is true that mere personal partiality or prejudice ought never to influence a discount; and that whenever persons can pay promptly it will in general be proper to accommodate them. Yet it is an important duty of directors to prefer such loans as will supply a regular circulation, make produce and industry more available, and integrity and enterprise more efficient and useful. But if applicants for loans have no means for punctual payment, all favors granted to them, which interfere with prompt loans to others for useful purposes, are injurious to the country.

It is sometimes objected to Banks that they do not furnish a currency always *uniform* in amount and value. Such a currency can never be had, nor in fact would it be adapted to the constantly changing crops and seasons and ever varying wants of human life. All the *uniformity* that is practicable or perhaps desirable, is that a bank should be prepared to make new discounts, when the business of the country demands it. If it do this, though its circulation be small it will still be active, and if the circulation be large and at a distance from those for whom the bank was created, there will still be a currency issued for their use. The purchase of bills, in preference to discounting notes, is frequently complained of, though there is no business of the bank, more beneficial to the country than this. When a note, due the bank, is paid at its counter, the money used for the payment is taken from the currency at home. But when bills of exchange are paid by the sale of produce in a foreign city, or by the collection of a debt from abroad, the money is drawn from others. A bill of exchange is sold for money to be circulated here, and were there

not more than \$2,000,000 annually sold, the bank would soon be drained by the debts owed by our citizens abroad.

While it is not pretended, that no errors have been committed in the management of the bank, it can be said with confidence that many of the branches have never knowingly transcended their duties; that in a considerable majority of them, most of the stock-holders seldom borrow; and where they do, they ask no favors: that the directors generally give no preference to their own paper over that of other business men; that no complaint has ever been made of the refusal of a discount on account of political preferences, that the branches are safe beyond dispute, their management in general creditable to the officers, and their business useful and profitable to the country. In the instances of improper conduct in the branches that have come before the State board, such course has been taken by *censure, restricting discounts, withholding dividends, &c.* as justice and good policy appeared to require, and when other correctives fail, there will be no hesitation in suspending any branch that shall persist in error. "*If the interest of the State and the safety of the other branches require it,*" the remedy provided in the last resort will be used but as other measures have so far succeeded or at least give assurance, that they will be sufficient, it is hoped that the injury, which the suspension of a branch will necessarily occasion the public, may be avoided.

From the prohibition in the charter, that directors should not borrow, except on the same terms as others, it is evident, that it was not intended that stock-holders should be specially favored in their accommodations. The loan by the State to enable them to pay their second and third instalments, has been such a favor to them, that they come with a poor grace to ask for still more. When they take out and keep out long loans, it is, in effect, the withdrawal of so much stock. They contribute nothing to the profits of the bank over six per cent, and they excite constant suspicion, that the institution is not managed for public good but for individual advancement. The branches in which this stock is held must, of necessity, be restricted in their discounts; but while bank stock is so little in demand, it is difficult to remedy the evil entirely. Whenever persons, who can afford to hold bank stock, are willing to take it, the stock-holders of a different description, may be compelled to part with it.

The high prices, which produce has borne in past years, the losses sustained by those who have traded in it, and the general embarrassment of the monied concerns of the country, have involved a large number of the business men, to a considerable extent; and many of them, who are indebted to the bank, will not be able to make payments as fast as they had anticipated, or as might be wished. As neither the bank nor the country can be gainers by crowding such customers beyond their ability to bear, when they can and will pay, if time be allowed, much forbearance must of necessity be exercised towards them. If they cannot pay fair instalments on what they now owe, they should not expect new accommodations. Yet by judicious indulgence, they may and will collect their dues from others

without ruin, and the bank and the people be saved from all losses not absolutely unavoidable, in such a change of times as is now taking place in the country.

By an arrangement with the fund commissioners, several of the branches have made advances on the public works, as payments became due to contractors, with the understanding that 2 months afterwards, the amount advanced should be credited to the branch in some bank in N. York. The fund commissioners failed to realize, according to agreement, the loans negotiated for the State, and the debt due from the State has since been increased by advances to secure some of the works from destruction, and by money placed in the hands of the fund commissioners to protect the interest and credit of the State, if it should be necessary to use it. The sums due from the State, which cannot be paid for a time, are now considered as other debts and of course they limit the operations of the bank, under circumstances and at a season of the year when the demand for specie and the desire to aid the exporters of produce, render it exceedingly unpleasant to be thus embarrassed. Several of the branches which have made only small advances for the State, will experience little or no difficulty and they may during the exporting season, enlarge their discounts considerably, without any danger of being run for specie, to any extent. Other branches may from the circumstances referred to, and their connection with Banks, that have suspended specie payments, be forced either temporarily to suspend or reduce their discounts more rapidly than they have done. From no view of the case, which the State Board had before them, at their late session, did they feel prepared to make a special order on the subject. They felt that, whatever is done in this matter, should not go beyond what will be approved by enlightened and well informed public opinion. If the officers of the Bank can be sustained by this, they may and should go fearlessly forward and conduct their business not for their own, nor for any individual interest or benefit, but as will most promote the interests of all creditors, all debtors and the whole community. But if a suspension take place in any branch for selfish purposes, on the part of its directors and officers; if its tendency be to occasion a depreciated paper circulation, raising the prices of property and aiding debtors at the expense of creditors; if any of the branches shall pursue a course, in this respect, injurious to community and hazardous to the other branches, and if they transact business which will not increase their ability to resume and continue specie payments, they will be held to a strict account for their conduct.

While the payment of specie is, in general, essential to sound banking, there may be circumstances, under which neither the creditors of the Bank nor the public should complain of denial or delay any more than that justice is denied or delayed, by holding Courts only at stated periods and allowing time for notices on writs and executions.

As to the prospects, for the future, so much depends on circumstances, that no certain calculations can be made. It cannot be de-

nied, that there are unfavorable indications and if these predominate in the extreme, the results may be easily foretold. If State character and pride be thrown away; if the currency of the country be so much diminished that debts must be paid in a medium made five times more valuable, than that in which they were contracted; if the labor and productions of our citizens be valued in a *dear* currency, while what they buy from other nations is valued in a cheap one; if talents, industry, and skill are to be useless, unless connected with hereditary wealth, no matter, what may be left to us, one universal blight will render the whole of little value.

But if the other extreme be pursued, or the best, that circumstances will admit of, be done; if patriotism, forbearance, and good feeling shall unite to prevent any false step being taken; if the state faith be preserved inviolate in reference to its debts abroad and institutions at home; if economy in expenditures, and the prices of property and labor be made to conform to the changed state of things now before us, and if the usual stimulants to enterprise and industry be kept in operation, there would seem to be no good reason, why the prosperity of the state may not soon be placed on a substantial basis.

Whenever the causes of the present embarrassments are enquired into, it will be found, that the Bank is responsible for but few of them. It has always been the interest of the Bank to favor the raising and exportation of produce and these interests it has not neglected, and had the labor of the country been directed more to these objects, as all productions of the soil have borne good prices for the last five years, the present difficulties might have been measurably avoided. But a different course has been pursued, in which the Bank has had no concern, and which at this moment is creating most of the difficulties that embarrass it and its customers. When there was no surplus labor, towns and public works have been pressed forward in all directions. It may well be questioned whether the expenditure of money for such purposes in a country situated as ours has been, even if the money were donated, is not a total *waste* and worse than a waste, so far as what is done will not produce such an income as other productive property. The increased expense of private improvements; of raising produce; and of living generally, is more than equal to the money laid out, while it is not perceived, that any one is a gainer, except by the additional value given to real property, which in most cases is merely imaginary. The large importations of merchandise which this state of things has encouraged have vastly increased the difficulties.

Under present prospects that industry and enterprise may not sink into despondency, a call is made for public spirit, which seldom appearing in prosperity, will yet come into exercise, when it is really needed. All public or private works which will directly or indirectly yield a similar or greater income than other property, should be urged at once to completion, and if state loans can no longer be made, let the state, if no better plan be proposed, call upon those, who are interested in these works, to complete them at once. This can be done

equitably by a board of judicious men and with as much propriety as the owner of a lot can be made to pay for grading and paving. The state is interested in increasing its wealth, and the individuals who should be called upon have a double interest, *one* the increased value of their property and the *other* to prevent its depreciation and the loss of debts, which must be inevitable if opportunities for employment be not provided, and general discouragement and stagnation prevail. Let citizens show the right spirit, let the state be faithful to itself, and its bank capital may be enlarged its business prospered, its revenues aided, its wealth and respectability vastly increased, wide spread ruin may be avoided and we again become a united, energetic, and prosperous people.

In the mean time, the officers of the Bank will go on, and if their course be sustained, will discount to aid the exportation of produce more than a million of dollars, within the next three months, satisfied that it will be useful to the public and make the Bank stronger and safer, under any probable circumstances. But if they have been mistaken in their views of duty and a different course be demanded of them, they will as soon as they are undeceived promptly conform to the public will in all matters which their obligations to support the charter do not expressly prohibit.

Respectfully submitted.

S. MERRILL,

Statement of the condition of the State Bank of Indiana, on October 31, 1839.

RESOURCES.

Notes and bills discounted	\$3,940,196 68	
Branch balances - - -	112,268 49	
Balance due from other banks	208,301 96	
Real estate, banking houses, furniture, &c. - - -	187,403 16	
Due from the State of Indiana for deferred payment of advances for public works - - -	641,200 17	
Indiana bonds taken for fourth instalments - - -	294,000 00	
Remittances and other items -	91,728 69	
Notes of other banks - -	169,500 00	
Specie - - - -	1,021,490 18	
	<hr/>	\$6,666,089 33

LIABILITIES.

Notes in circulation - -	2,985,371 00	
Due treasurer U. States, balance	47,707 69	
Branch balances - - -	146,100 25	
Balances due to other banks -	126,088 74	
Sinking fund and other items -	70,254 46	
Dividends not called for - -	4,839 42	
Balance due individual depositors	320,238 59	
	<hr/>	\$3,700,600 15

Leaving the amount of resources of the bank over and above all liabilities, other than to the stock-holders - - -		2,965,489 18
		<hr/>
		\$6,666,089 33

The above excess of means above liabilities, belongs as follows:—

To the State of Indiana, as a stock holder under the charter -	\$880,000 00
From surplus revenue - -	379,950 00
	<hr/>
	\$1,259,950 00
To individual stock-holders -	1,334,050 00
	<hr/>
Total capital -	\$2,594,000 00

To State and individual stock-
holders.

Amount in surplus fund	-	-	222,944	83
Profits of last six months	-	-	148,544	35
				<hr/>
Total undivided profits	-	-		371,489 18
				<hr/>
				\$2,965,489 18

Within the last quarter, from July 31, 1839, to Oct. 31, 1839, the responsibilities of the bank have been reduced, as follows:

Amount of branch notes in circulation				
on July 31, 1839	-	-	-	3,534,935 00
Amount of branch notes in circulation				
on October 31, 1839	-	-	-	2,985,370 00
				<hr/>
Reduction of circulation	-	-	-	549,565 00

Amount due individual depositors on				
July 31, 1839	-	-	-	473,029 94
Amount due individual depositors on				
October 31, 1839	-	-	-	320,238 59
				<hr/>
Decrease of debt to depositors	-	-	-	152,791 35

Amount due other banks on July 31,				
1839	-	-	-	282,220 20
Amount due other banks on October,				
31, 1839	-	-	-	126,088 74
				<hr/>
Reduction of indebtedness to other banks				156,131 46
				<hr/>
Total reduction of liabilities during last 3 months				\$858,487 81

During same quarter the reduction of the discounts and specie means of the bank have been as follows:

Amount of bills and notes discounted,				
on July 31, 1839	-	-	-	4,256,621 52
Amount of bills and notes discounted,				
on October 31, 1839	-	-	-	3,940,196 68
				<hr/>
Reduction of discounts	-	-	-	316,424 84

Am't of specie on hand, July 31, 1839,	1,318,815 06
other Bank notes, - -	160,370 00

1,479,185 06

Amount of specie on hand, October 31,	1,021,490 18
1839	

Other Bank notes,	169,500 00
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1,190,990 18

Diminution of specie and notes of other banks,	288,194 88
--	------------

Total amount of discounts on October 31st, 1839, is - -

3,940,196 68

Total amount of debt due from the State for advances, - - -

641,200 17

4,581,396 85

Total amount of notes in circulation, Oct. 31, 1839, - - -

2,985,371 00

Amount of indebtedness to the Bank, if all its notes in circulation were withdrawn, and paid out of the debts due the Bank, - - -

\$1,596,025 85

As it may be interesting to the Legislature and the community, to have a summary view of the result of the operations of the State in banking, from the commencement of the State Bank, the following Exhibit is annexed:—

The means furnished by the State, under the Bank Charter, are in her bonds, bearing five per cent. per annum, and payable in the year 1864, -

\$1,390,000 00

Also on surplus revenue account, 3d instalment, amount, - -

286,751 48

Bonds for advance of 4th instalment by Bank, - - -

294,000 00

580,751 48

\$1 970,751 48

The resources of the State arising from the means above furnished, are as follows:—

In Bank capital under the charter	-	-	\$880,000 00	
Its portion of the Surplus Fund, estimated,	-		92,187 12	
			<hr/>	972,187 12
In Bank capital, from Surplus Revenue,	-	-	379,950 00	
Its portion of Surplus Fund, estimated,	-	-	32,753 73	
			<hr/>	412,703 73
				<hr/>
				1,384,890 85
In mortgages taken from stockholders	-	-	244,429 94	
In mortgages to citizens on real estate,	-	-	720,743 92	
In branches, balances,			12,020 87	
			<hr/>	977,194 73
				<hr/>
				2,362,085 58
From which deduct the means furnished by the State above	-	-	-	-
				<hr/>
				1,970,751 48

Leaving the amount of profit clear to the state, at present, growing out of her banking operations from the commencement, as estimated, - - - 391,334 10

In addition to which the State has received from the Bank and Sinking Fund Commissioners on Surplus Revenue account, towards liquidating the interest on the Internal Improvement debt, after paying the interest on the \$294,000 bonds issued for the advance of the 4th instalment, - - - 77,764 02

And in tax on the individual stock for school purposes, 12,647 25

Making the total estimate of the nett proceeds resulting to the State from the operations of the State Bank and Sinking Fund, after paying all interest accruing on the bonds of the State given for banking purposes, and deducting the amount required to satisfy the principal of said bonds, and to return to the State the third instalment of \$286,751 48, provided the expectations of the Bank, in the future progress of its business be not frustrated and disappointed, subject however to any charge which may arise on the State's share of the surplus fund, from loss in the collection of the debts due the Bank, - - - \$481,745 37

JAMES M. RAY, Cashier.

State Bank of Indiana, Nov. 27, 1839.

REPORT

OF THE

STATE LIBRARIAN.

NOVEMBER 1839.

STATE LIBRARY,
INDIANAPOLIS, Nov. 1839 }

The State Librarian respectfully reports to the General Assembly the following additions to the State Library made during the present year; to which are annexed the prices of the several works.

American Almanac (1836)—1 vol.	\$1 00
Decameron—2 vols.	1 30
Interior of Africa—2 vols.	1 44
City of the Czar—2 vols.	1 31
Memoirs of Great Commanders—2 vols.	1 37
Rambler in North America—2 vols.	1 13
Damascus and Palmyra—2 vols.	1 69
Alton Trials—1 vol.	0 31
Helons Pilgrimage—1 vol.	0 90
Life of Edmund Burke—2 vols.	3 94
History of Insurrection—1 vol.	1 75
Wilkinson's Corruption—1 vol.	1 69
Pitkins' Statistics—1 vol.	2 81
History of Ohio—1 vol.	1 69
Cobbett's Letters—1 vol.	2 25
Fanny Wright's Travels—1 vol.	2 25
Antiquity of the Jews—2 vols.	4 00
Private Journal of Aaron Burr—2 vols.	5 00

Pamboin on Locomotives—1 vol.	2 06
Johnson on change of Air—1 vol.	1 56
Natural Philosophy—1 vol.	1 69
Swedenborg's Comp. Works—4 vol.	10 00
Historical Society of Ohio—1 vol.	1 13
History of Ohio Canals—1 vol.	1 69
Mrs. Jemeson's Rambles—2 vols.	1 69
Napoleon's Memoirs—2 vols.	1 80
Prideaux Connection—3 vols.	6 00
Records of my Life—1 vol.	1 69
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Twelve Month's Campaign—1 vol.	0 67
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Blake's Biographical do—1 vol.	-	-	-	5 75
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Cooper's Naval History—2 vol.	-	-	-	4 25
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Domestic Happiness—1 vol.	-	-	-	1 25
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The Corner Stone—1 vol.	-	-	-	1 00
Winter in the West Indies—1 vol.	-	-	-	0 88
Life of Hannah More—2 vols.	-	-	-	1 30
Thugs of India—2 vols.	-	-	-	1 30
Sketches of Public Characters—2 vols.	-	-	-	1 50
Charcoal Sketches—1 vol.	-	-	-	0 80
Marryatt's Diary in America—1 vol.	-	-	-	0 50
Allan's Biographical Dictionary—1 vol.	-	-	-	3 00
Shuckford's Connexion—2 vols.	-	-	-	4 00
Eaton's Botany—1 vol.	-	-	-	2 75
The British Poets—25 vols.	-	-	-	18 00
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Scott's Works—1 vol.	-	-	-	2 50
Western Adventure—1 vol.	-	-	-	0 75
Dictionary of Quotations—1 vol.	-	-	-	0 75
Campbell's Poems—1 vol.	-	-	-	0 50
Jefferson's Manual—6 vols.	-	-	-	2 40
Expense of purchase, Insurance, carriage, &c.,	-	-	-	35 00

Leaving an unexpended balance in the hands of the Librarian of \$66 09.

The usual number of Congressional Documents and Laws of Congress due the State of Indiana, have been received.

Since the last report of the Librarian there have been received the following Laws of other States, &c., to wit:

Laws of Michigan	-	-	-	1 vol.
" Vermont	-	-	-	2 "
" Massachusetts	-	-	-	3 "
" Louisiana	-	-	-	3 "
" Rhode Island	-	-	-	1 "
" New Jersey	-	-	-	3 "
" Connecticut	-	-	-	3 "
" Mississippi (3 for 1838, 3 for 1839, 3 R. C.)	-	-	-	9 "
" South Carolina	-	-	-	1 "
" Maryland	-	-	-	3 "
" Maine	-	-	-	3 "
" New Hampshire	-	-	-	3 "
" New York	-	-	-	3 "
" Ohio	-	-	-	3 "
" Congress, (bound for Library)	-	-	-	6 "
Geological report of Michigan	-	-	-	3 "
" " Maine	-	-	-	2 "

52 vols.

Making a total number added to the Library, during the present year, of 256 vols.

All of which is respectfully submitted,

WM. J. BROWN, Librarian,

NOTE.—A number of Books have been purchased at Philadelphia which have not been received. These, together with the above amount will perhaps cover the original appropriation. W. J. B.

A COMMUNICATION FROM

SAMUEL MERRILL, PRESIDENT OF THE STATE BANK,

IN RELATION TO A LOAN TO INCREASE THE

STATE BANK STOCK.

HON. JAMES G. READ,

Speaker of the House of Representatives,

SIR,—Please lay the enclosed communication before the House of Representatives.

Very respectfully,

S. MERRILL.

Indianapolis, Dec. 3, 1839.

To the General Assembly of the State of Indiana:

I had hoped to present to you at the commencement of the session a full statement respecting the agreement made in April last with the Morris Canal and Banking Company, for a loan of one million of dollars, to increase the State stock in the bank, but this cannot be done for a few days.

The two articles drawn on the subject, were left in New York with the fund commissioners, as they were to carry into execution the contract on the part of the State, and though they were requested to bring on the originals, that copies might be taken here, it was inadvertently omitted.

A brief statement of what has been done in the business, was given to the Governor, to be communicated in his message.

The security for the payment of the \$490,000, it is understood has been furnished, and the absence of the fund commissioners from New York, may have prevented the return of the \$500,000 State bonds, which were to have been handed over the 17th November.

Annexed is a copy of a letter from Mr. Southard as to the sufficiency of the security. Similar information was obtained by Mr. Scott, in Philadelphia, from the most respectable authority.

It has been thought best, that I should leave for New York to obviate any difficulty, if any there should be, as to the other \$500,000, and as to other interests of the State and the bank which at this time, seem to require attention. Only a short absence is anticipated.

S. MERRILL.

"SAMUEL MERRILL, ESQ. PRESIDENT, &c. &c.

"Sir—Continued absence for several days, has prevented me, until this moment from receiving and answering your letter of the 2d November.

"You ask my opinion of the present and prospective value of the stock of the Little Schuylkill and Susquehannah Rail road—and the sufficiency of \$600,000 of that stock as collateral security for the payment of \$490,000 in monthly instalments. I think it abundantly sufficient. I have no knowledge of its present rate in the market; nor of the amount which the \$600,000 might bring at this moment. Nor do I suppose, that you can desire information on this point, in the present state of the money market.

"As to its future value and sufficiency to answer for the specified sum, as collateral security, I entertain no doubt. I have examined a portion of the rail road, and taken some pains to form an opinion of its cost, and of its future prospects; and have no hesitation in saying, that there are very few if any rail roads in this county, so well calculated to ensure, to the stockholders, an abundant recompense for their expenditures. It would probably be neither appropriate, nor expected from me, to state the ground of my opinion.

"I consider it one of the very best routes for a rail road in the U. States, and have no doubt that it must, when completed, be one of the most productive, and the stock among the most valuable.

"I am very respectfully, &c.

"SAMUEL L. SOUTHARD.

J. City, 16th Nov. 1839."

GOVERNOR'S MESSAGE.

[Three thousand copies ordered to be printed.]

GENTLEMEN OF THE SENATE,

AND HOUSE OF REPRESENTATIVES:

We are greatly indebted to Divine Providence, for the multiplied blessings dispensed during the past year, to the people of Indiana. Whilst other portions of the Union have been scourged and desolated by pestilence, our fellow citizens have been permitted the enjoyment of general good health; the seasons to them have been genial; the earth has been most bountiful, and yielded to the labors of the husbandman a superabundance of the chief comforts and necessities of life. I wish that fact and truth would justify me in making a similar acknowledgment to those who have for years controlled the political fortunes of this great nation; but a deranged and ruined currency; a universal prostration of credit and confidence; the deep and unmitigated pecuniary distress, which is now visiting, or threatening to visit, every class of our late prosperous community, most solemnly forbid it. How long this state of confusion is to last, is a question which the people only can answer; for in their hands are exclusively vested the constitutional right and power, to apply and enforce the necessary correctives.

The balance in the treasury, on the 31st of October last, amounted to 23,702 dollars. From this sum, however, the fourth quarterly dues have to be deducted, which may likely reduce it to twelve thousand dollars. Of the revenue collected in 1838, thirty thousand dollars had not been appropriated. The legislature, by special act, directed the treasurer to loan it out for one year, on sufficient security, at a rate of interest not less than ten per cent. This duty the treasurer performed, and the loans will fall due chiefly in the month of February next. These two sums, amounting to forty-two thousand dollars, together with the poll tax, which may probably produce forty-five thousand dollars more—in all eighty-seven thousand dollars—constitute

the only means provided for defraying the expenses of the state government in 1840. A fact, the knowledge of which, must necessarily impose upon you the observance of a severe system of economy, as the disbursements, on behalf of the state, for the two preceding years, have considerably exceeded that sum. In one respect, you possess a decided advantage over your predecessors: you will have no provision to make to meet the heavy expenditures consequent upon a revision and distribution of the laws.

The expenses of the last legislature, including the pay and mileage of members, amount to forty-two thousand five hundred and sixty-three dollars and twelve cents; the public printing to seventeen thousand seven hundred and eighty-eight dollars and ninety-three cents; and the specific appropriations to seven thousand and eighty-five dollars. In relation to the public printing account, it may be well enough to remark, that about three thousand dollars of it, were for news papers published at the seat of government, and distributed by the members of the legislature to their constituents.

The assessments of taxable property, the present year, are quite favorable; they exhibit most gratifying results; and prove, beyond a question, that both the population and wealth of the state have been steadily on the increase. The taxable polls of 1839 amount to ninety-five thousand two hundred and ninety-one; exceeding those of 1838, six thousand seven hundred and fifty-six. But this is evidently much below the true estimate, as the aggregate vote cast at the late congressional election very clearly demonstrates,—that vote being one hundred thousand and five hundred. Indeed, I have little or no doubt, but that a close and careful assessment would have returned not less than one hundred and fifteen thousand polls. In 1838, the total valuation of all the taxable property of the state amounted to 97,058,094 dollars; this year, that amount has been swelled to 107,337,715 dollars—showing the year's increase to be 10,278,621 dollars.

The principal subjects of taxation, it will be recollected, consist of lands and their improvements, town lots, corporation stock, and personal property. Of these, the lands, the present year, embracing 7,475,320 acres, have been valued at 65,984,879 dollars; the town lots at 14,676,372 dollars; corporation stock at 869,630 dollars; and personal property at 23,687,534 dollars. Now in the assessment of two of the foregoing items, to wit, the lands and corporation stock, we know that there has been displayed the grossest negligence. We know, for instance, by referring to the reports of the commissioner of the general land office, that 8,922,122 acres of land are subject to taxation this year, and, of right, ought so to have appeared on the assessment rolls; yet we find there only 7,475,320 acres, leaving 1,346,802 acres untaxed. We know, too, that the private stock in the State Bank of Indiana, alone, amounts to 1,334,050 dollars, between four and five hundred thousand dollars more than the whole amount of corporation stock returned. Besides, there are the stocks of the saving institutions, the loan offices, and insurance companies located

in many parts of the state, apparently lost sight of or omitted altogether:

The loss which the treasury sustains in consequence of such imperfect assessments, is truly astonishing. If, for example, we add to the aforesaid 1,346,802 acres, the 229,351 acres returned as per auditor's report, as delinquent lands, to the school commissioners, we then discover that 1,576,153 acres escape taxation this year; these, at eight dollars and seventy-two cents per acre, the average value of other lands, amount to 13,745,005 dollars; add to this again, the 464,420 dollars, the neglected portions of the private stocks in the State Bank, and other institutions, and we have 14,209,425 dollars of taxable property unassessed entirely; which, according to the established rate, would have produced a revenue of 42,628 dollars. Surely such things ought not to be. This principle of taxing one man's property, and exempting that of his neighbor, is exceedingly unjust and cannot long be tolerated or submitted to by the people.

The state debt, created by the sale of state bonds, at various times, for bank and internal improvements, amounts to 10,064,000 dollars; 1,727,00 for the Wabash and Erie Canal; two hundred and twenty-one thousand dollars for the Lawrenceburg and Indianapolis Rail Road Company; two hundred and ninety-four thousand dollars for the creation of bank stock in anticipation of the fourth instalment of the surplus revenue; 5,932,00 dollars for the system of internal improvements; and 1,890,000 dollars for the purpose of establishing the State Bank. From this exhibit you will perceive that 7,870,000 dollars have been borrowed for internal improvement purposes, and only 5,932,000 dollars for the system proper. I make this distinction because, the Wabash and Erie Canal, from the Ohio State line to Terre-Haute, is provided with means, independent of taxation, to assist in its construction; and the two hundred and twenty-one thousand dollars, advanced to the Lawrenceburg and Indianapolis rail road are secured by mortgages on land.

From the report of the Fund Commissioners, already before you, you have no doubt ascertained that out of the 5,932,000 dollars of State Bonds sold, for the benefit of the system proper, only 4,456,624 dollars and thirty-nine cents have been received; leaving 1,486,375 dollars still due; that out of the 1,727,000 dollars sold for the benefit of the Wabash and Erie Canal, only 1,553,507 dollars and twenty cents have been received, leaving one hundred and seventy-three thousand four hundred ninety-two dollars and eighty cents still due. In short, that on the entire sales of 7,659,000 dollars worth of bonds, 1,659,868 dollars and nineteen cents remain to be paid by the purchasers. But although the state is bound to pay the interest on the whole amount of Bonds sold, still, by agreement between the parties, the interest on the 1,659,868 dollars is to be paid by the purchasers, as it becomes due; so that, in reality, the state, this year is required to meet the interest on only about six millions of dollars of the internal improvement debt.

Now of the bonds sold, three hundred and ninety-four thousand dollars draw six, and seven million eight hundred and thirty thousand dollars, five per cent. interest, payable semi-annually, on the first of January and July. The January payment, therefore, will amount to two hundred and seven thousand six hundred and twenty dollars, and by adding five thousand dollars as the probable exchange on London, it will be two hundred and twelve thousand six hundred and twenty dollars. To meet this demand the state is provided with the following means, to wit:

Thirty cents on every one hundred dollars of taxable property in the state—which we have seen amounts to 107,337,715 dollars—deducting nine per cent. for collections - - - - -	\$294,000
Interest on canal lands - - - - -	22,000
The excess of interest over six per cent. realized on the 294,000 dollars of bank stock created in anticipation of the fourth instalment of the surplus revenue -	8,820
Interest on the third instalment of the surplus revenue -	25,180
Canal and rail road tolls - . - - -	13,338
From the Lawrenceburg and Indianapolis Rail Road Co. -	11,050
Interest due from New York Banks as per Fund Commissioners report - - - - -	46,000
Total - - - - -	420,388
Deduct the January payment - - - - -	212,620
And there is left - - - - -	\$207,768

to apply to the July payment.

The amount of this balance, however, will greatly depend on the success attending the collections of the revenue. Should there be many delinquencies it may possibly, fall short a few thousand dollars; but not enough, I hope, to prevent the state from fulfilling her engagements without difficulty.

By the revenue act of the last legislature, the levy of thirty cents on the hundred dollars, for the payment of the state debt, is confined to the year 1839. It will, therefore, become necessary for you, at the present session, to provide the requisite means to accomplish the same object for 1840.

From the sales of the public lands, as reported by the commissioner of the General Land Office, we ascertain, that the 8,922,122 acres of land now subject to taxation, will be augmented annually by the following additions: in 1840, by 1,586,904 acres; in 1841, by 3,249,210 acres; in 1842, by 1,249,818 acres; and in 1843, by 320,641, acres—proving most conclusively that in 1843 we shall have 15,328,694 acres of taxable land. In times, therefore, like the present, when gloom and despondency seem to pervade every bosom; when the credit of sovereign states even, can no longer command money from abroad; and when bankruptcy and ruin, with their attending trains of evil, apparently hang suspended over the great mass of the people, no citizen of Indiana, I presume devoted to her interest, or who feels

himself identified with her prosperity and glory, can avoid receiving the foregoing facts as evidence sufficient to justify him in confidently anticipating a safe deliverance from present and future enthrallments. Administrations may change, parties may alternately triumph, and destructive experiments be repeated, but the soil and its fertility will remain unaffected by either; it constitutes an element of wealth which man, even in his folly, cannot destroy, and which, when all others are swept away from him, continues in the performance of its functions to cheer and support him through every emergency. It is, therefore, matter of heartfelt gratification to see how largely the people of Indiana are possessed of this element; for, combined with the untiring energy and industry which distinguish their character, we feel that we hazard nothing in predicting that the wealth and resources of the state must continue to expand in despite of the most adverse circumstances.

The failure to procure funds, as we had a right to expect from the extensive sale of State bonds effected in the early part of the season, has led to great and unusual embarrassments, not only among the contractors and laborers, but also amongst the people. The State has in consequence, fallen largely in debt to the former, and is without the means, in possession, of discharging it. The banks, too, have advanced most liberally, and have not yet been reimbursed. In a dilemma, therefore, so unexpected, questions of great interest naturally present themselves. How can the State extricate herself from present difficulties? What course will she take to liquidate the outstanding obligations against her? So far as the banks are concerned, a few months delay, might perhaps, be tolerated; but not so with the contractors and laborers; their necessities require immediate payment; and the State, by all means, should exert herself to accomplish it. The amount advanced by the bank is 641,200 dollars and 17 cents, and the amount due to contractors, 706,559 dollars. To discharge both these debts, the State has owing to her from the New York banks, as before stated, 1,659,868 dollars. If the contractors, therefore, could only wait a reasonable length of time, without absolutely ruining themselves and their creditors, I am confident that a sufficiency must be realized, from the New York debt, to pay all their claims. But this I fear cannot be. A remedy, consequently, has been suggested, by the issue of State scrip, to cover their demands, redeemable by the fund commissioners, so soon as enough is received from the bonds already sold. Greatly as I am opposed to such a measure, yet sooner than see the character of the State jeopardized, and so respectable and deserving a portion of my fellow citizens ruined, I would most cheerfully sanction it. But then let it be a last resort—when every other rational expedient has failed.

But questions, equally as grave and important are yet behind. What shall be done with the public works? Shall they be abandoned altogether? I hope not. In my opinion the policy of the State, in the present emergency, should be, first, to provide against the dilapidation of those portions of the works left in an unfinished state; and,

secondly, as means can be procured, to finish some entirely, and complete others, at least, to points where they may be rendered available or useful to the country. By the observance of this policy, it is evident, that the millions already expended would be saved; some of the works completed; and the rest placed in a condition to be taken up and prosecuted at any time hereafter, as the people may direct.

By the internal improvement bill of 1836, ten millions of dollars were appropriated to carry on the several works embraced in the system. With an eye to this fact, and, on the supposition that the expenditures shall not exceed the appropriation, I procured from the chief engineer, the following table, showing how much of the works respectively may be completed, the value of work done, and the amount still necessary to be done, to advance them to certain points. It may, however, be proper to remark that all the calculations, in the table, have been based on the ground that the whole of the present expenditures are to be saved:—

Names of the Works.	Length in miles.	Total cost—dol- lars.	Estimat- ed value of work done.	Work to be done.
White Water canal, from Ohio river to National road . . .	69.40	1,557,720	966,856	590,865
Central canal from Port Royal to junction with the Killbuck summit 10 miles north of Andersontown	78.22	1,294,754	706,874	587,880
Central canal from Evansville to first feeder from White river, in Greene county	93.20	1,922,930	466,382	1,456,548
Erie and Mich. canal from Ft. Wayne, to the middle fork reservoir, near N. line of Noble co.	50.	1,00,000	65,476	934,524
Cross-cut canal from Eel river dam to Terre Haute, to make the water power available without lock	25.50	427,917	336,825	91,092
Madison and Indianapolis rail road complete	85.86	2,150,000	1,095,888	1,054,112
Road from New Albany to Mt. Pleasant, M'Adamized to Paoli, and only graded and bridged thence to Mt. Pleasant . . .	68.37	662,295	573,106	89,189
Road from Jeffersonville to Salem via New Albany, grading and bridging only	37.64	320,891	251,563	69,328
Road from Lafayette to Crawfordsville, grading and bridging.	26.87	87,737	56,144	31,593
Road from Crawfordsville to Greencastle, grad. and bridging	27.85	119,665	55,944	63,721
Improvement of Wabash Rapids, made jointly by Illinois and Indiana; whole cost 185,000—one half of which is . .		92,500	10,000	82,500
	562.91	9,636,410	4,585,058	5,051,352
Wabash canal from Tippecanoe to Lafayette	14.36	297,118	266,541	30,577
Wabash canal from Lafayette to Covington	40.	500,000	34,210	465,790
	617.27	10,433,528	4,885,809	5,547,719
Wabash and Erie canal from Ohio state line to Tippecanoe	129.74	1,847,010	1,708,979	138,031
	717.01	12,280,538	6,594, 78	5,685,750

From this table we learn, first, that only \$4,885,809, of the ten million appropriation, have, as yet, been expended, leaving upwards of five millions still to be applied; and, secondly, that by expending about ten and a half millions of dollars, the White Water canal, the Madison and Indianapolis Rail Road, the Wabash and Erie canal to Covington, the Southern end of the Central canal to White River, the Northern end of the same canal beyond Andersonstown, and the Michigan and Erie canal from Fort Wayne to the Summit level, may all be completed; besides placing the other works in a condition to be prosecuted, from time to time, as the means of the State and the wishes of the people may authorize. If we separate the Wabash and Erie canal from the mouth of Tippecanoe to Terre Haute from the system proper, as being an independent work, provided for by the donation of land from Congress, the ten and a half millions may then be made to complete, in addition to the works named, nearly the whole of the Northern end of the Central canal, from Martinsville to the Wabash river.

It is not for me to dictate to you the course you are to pursue in the present emergency. You come fresh from the people, doubtlessly prepared to represent their views and feelings, and to give shape and vitality to the future policy of the State. To do this you have the power; and, in consequence of the suspension of operations upon all the public works, duty will imperiously compel you to act. To the result, therefore, of your deliberations, I shall look with no ordinary interest; for I stand pledged to the people, to be governed, in my action, by their will and pleasure, as they may see fit to express it, through a majority of both branches of the Legislature. Hence, in all things involving no constitutional objections, you may expect my ready concurrence, save one: I can consent to no measure that would either destroy the credit, or impeach the integrity and honor of the State.

For a full and satisfactory exposition of the operations of the Board of Internal Improvement, under the modification law of last winter, I beg leave to refer you to their, and the Engineer's reports.

It appears that the expenses of the Board, and Engineer department, are less this year by 15,000 dollars, than they were last, a result attributable, of right, to the same law.

The tolls collected on the Madison and Indianapolis Rail Road, for the six months it has been in operation, amount to eight thousand four hundred and seventy dollars; on the White Water canal, six hundred and twenty dollars; and on the Wabash and Erie canal, four thousand two hundred and forty eight dollars; with regard to the latter work, it is greatly to be regretted, that Ohio has been so tardy in pushing forward that portion of it, lying within her territory. The yearly loss to Indiana, in consequence, is a very considerable. We shall have, by expending some one hundred and sixty eight thousand dollars more, one hundred and forty four miles of this work completed, every foot of which, however, must remain in a manner idle—almost valueless, until we shall be enabled to communicate with Lake Erie. A knowledge

of these facts, it seems to me, would tend much to stimulate Ohio to greater exertions in our behalf; and, more especially, when by doing so, she would, at once, render the whole of Central Indiana tributary to her.

By a special act of the last Legislature, the Governor was authorized to appoint one or more agents to assist him in making further selections of land claimed by the State for the continuation of the Wabash and Erie canal, from the mouth of Tippecanoe river to Terre Haute. In the exercise of this authority, I appointed John Vawter of Jennings, Johnson Watts of Dearborn, William Elliot of Wayne, and A. W. Morris of Marion, as such agents. These gentlemen in the early part of the season, proceeded to discharge the duties assigned them and selected lands to the amount of two hundred and twenty thousand nine hundred and eighty nine acres, lying in the counties of Porter, Lake, Jasper, Noble, Kosciusko, Fulton, Marshall, Miami, and in the great Miami Reservation. The tract books and selections will in due time be laid before you giving a detailed description of the lands, the quality and rate, the valuation of each tract, and the names of the settlers.—I have, also, as required by the act of Congress, reported the same to the Secretary of the Treasury of the United States.

The selection which I made last year of seventy three thousand seven hundred and ten acres, had the effect of bringing the authorities of the General Government to the necessity of adopting some definite course of action in relation to them. The Attorney General, and the Commissioner of the general Land office, decided in favor of the States claim; the Solicitor of the Treasury against it. This conflict of opinion, amongst his legal advisers, I presume, induced the President of the United States to refer the question over to Congress. But this step was taken at so late a period of the session as to preclude the hope of obtaining a decision from that body before the adjournment; the whole subject, therefore will, as a matter of course, come up before the present Congress among the unfinished business of the last.

To say that we have, or feel, no interest in the result of this decision would very properly subject us to the charge of great want of candor. The condition of the State is such that property so immensely valuable cannot well be treated with indifference; because it would tend greatly to diminish the burthens of the people, and to further those laudable designs of improvement so necessary to a complete development of all our resources. And when it is considered that the policy of the State alone, in the prosecution of so many works, has, more than any thing else, contributed to enhance the value of the public domain, and to induce the sale of millions of acres that otherwise would have remained among the refuse lands of the Government for a quarter of a century hence, a ratification of this claim by Congress cannot, I think, be viewed in any other light than an act of sheer justice to Indiana.

In the event that the lands, thus selected, should be confirmed to the State by Congress, in time for your action, I have then to renew in behalf of the worthy and enterprising settlers upon them the

recommendation, that they have the exclusive privilege of purchasing them at the minimum price to be fixed by the Legislature; or, on failure of that, that some just provision be made to compensate them for their improvements.

Since 1834 and up to the first of September 1838, the people have purchased in Indiana, 6,961,573 acres of land: for which they have paid into the coffers of the General Government not less than 8,701,966 dollars—an enormous sum certainly—one scarcely to be credited—and but for the authenticated reports of the commissioner of the General Land Office, might well be questioned. During the same period, there have been brought into the State and expended for Internal Improvement purposes, a little rising five millions of dollars—three millions less than the amount paid out for land. My object in stating these facts is, simply, to show the people where their money has gone to; and why it is that we hear from every quarter of the State the cry of its exceeding great scarcity. The truth is, Indiana has been contributing to the support of the General Government, for the last four years, at the ruinous rate of two millions of dollars a year; and what returns has she had for it, and for the millions paid before? A refusal to make an appropriation on the Cumberland Road; a veto of the Wabash appropriation bill; a veto of the land bill, which according to the estimate furnished to Congress, by Mr Whitcomb the commissioner of the General land office, in January last, would have yielded to the State up to the 30th of September, 1838, 2,646,744 dollars, enough to have enabled her to prosecute our public works, without harassing the people, or bending them down under the weight of oppressive taxation. And now that circumstances have changed; that the wants and necessities of the people are such as to call loudly for relief; and with a view to obtain it for them, and to diminish their taxes in future, I respectfully recommend that our Senators be instructed and our Representatives requested, to use every honorable exertion to procure from Congress, the passage of a bill distributing the proceeds of the sales of the public lands among the several states, according to the principles of the bill which recently passed both Houses of Congress on that subject.

I have before intimated that the financial concerns of the country are, at this time, in a condition to excite universal anxiety and alarm. A sudden blight has come over our prospects; the active and enterprising are discouraged; and the abundant products of the soil seem to have been gathered in vain. Our true policy, without doubt, is to aim at remedies for these disastrous results rather than to enquire curiously for their causes; yet, we may briefly hint at some of those which have contributed to our difficulties. The gold bill for a time occasioned an unnatural importation of specie, not in the usual way of trade, and its reflux seems to be leaving us bare. Local Banks have been too much encouraged at one time and oppressed at another. As the tariff on foreign merchandise has decreased, importations have been made to the injury of homemanufactures, and more than the country

can well pay. There have been, perhaps, less industry and economy amongst us than there should have been, and more speculation in lands and lots than policy would justify. Each one for himself must now see where he has been in error, and few, it is hoped, are so situated that they cannot do much to extricate themselves. But something also is looked for on the part of public functionaries. By an encouraging tone, by maintaining what is right and correcting what is wrong, by forgetting petty and personal contests and aiming to maintain at all hazards the credit and interests of the state, proper feelings and spirit will be kept up amongst our citizens.

The medium of circulation now used in most if not all the civilized countries with which we have intercourse is composed of specie and paper, and, in reference to this, property has been valued, agreements made, and debts contracted; we cannot, therefore, deal with other states and countries on equal terms, unless we have a medium of circulation much like theirs in value. Fluctuations in these matters are, perhaps, not to be avoided. Yet legislation should aim at as much uniformity as possible, or, debts contracted in one medium may be collected in another of far more value.

It would seem, then, to be our duty and interest to sustain by all fair means our institutions. If, however, abuses are alleged to exist, let them be examined and corrected. If any of those who manage them have lost the confidence of the people, let their places be supplied by others; and if any injurious apprehensions prevail, let them be explained. If when these are done, the community, generally, can be satisfied, our capital connected with credit may perform its functions as heretofore. But if no confidence can be felt that banks will be safely and prudently managed; if they must be so restricted as to lose the power of being useful; if a predominant party is seriously bent on destroying them; it is better to give them up at once, than contend for preserving them after they have lost their value. But before this be effected, it may be well enough to enquire whether the ruin of the present generation of business men and the depreciation of all property and labor to a sixth of their present prices, will not prepare community for wilder extravagancies than have as yet been attempted.

The state has thus far failed to realize the advantages, which were expected to be derived, from the addition to the bank stock authorized at the last session. A contract was made, however, in April last, with the Morris canal and Banking company, for the sale of a million of dollars, in State bonds, to be paid for in ten monthly instalments, commencing the first of September last, which, when paid, were to be applied to the increase of the state stock in the bank. But that company gave notice, in August, that owing to there being no demand for state bonds, at any thing like fair prices, the instalments could not be paid; and, under the circumstances, an arrangement was made to return one half of the bonds, and indemnify the state, and secure the payment of the other half in ten annual instalments. For particulars, I refer you to the report of the President of the state bank who conducted the negotiations.

The condition of the state bank appears to be healthy. On the 31st of October last, her assets amounted to six millions two hundred and forty thousand three hundred and twenty eight dollars and 25 cents, and her liabilities, to 3,493,042 dollars and 60 cents; showing an excess of ultimate assets, over and above all ultimate liabilities, except to the state and the other stockholders of 2,747,285 dollars and 65 cents; at the same date she had in her vaults, 1,021,490 dollars and 18 cents in specie, and 3,124,497 dollars in circulation.

The measure of total suspension, recently adopted by the banks of Pennsylvania, Maryland and other states, I am happy to say, has not been followed by the state bank of Indiana. The board of directors, at their late meeting, refused to authorize it; but, very properly, left the question open to be hereafter determined according to the emergency of the moment, by the people themselves in the several bank districts.

Complaints, and I fear with but too much justice, are constantly being made, by the people living in counties adjoining those in which the several branches of the bank are located. They seem to think that an equal participation in the benefits of these institutions is denied them, from the fact, that by far the greater portion of their funds are loaned to individuals residing immediately in their vicinity. This species of favoritism, if it does exist, ought by all means to be avoided in future, or some decisive measure should be taken to prevent a repetition. The bank is as well a state as a private concern; one, in which the people are stockholders to an amount, nearly equal to that held by individuals. The advantages, therefore, if there are any, should be distributed among them as equally as the nature of the surrounding circumstances will permit.

At the request of Doctor Wylie, President of the University at Bloomington, against whom, it will be remembered, charges of mal conduct, in the administration of the affairs of that Institution had been preferred, and widely circulated through the medium of newspapers and other channels, a meeting of the board of trustees was called, which I attended, in the month of April last. At this meeting the board entered into quite a labored and patient examination of all the charges, which resulted in the entire acquittal of the accused by the unanimous vote of the members present. Indeed the testimony so far from implicating President Wylie in the smallest degree triumphantly vindicated his conduct throughout, and placed him in point of firmness and integrity as an officer, on higher ground, than the malice or envy of foes had before permitted him to occupy. I regret to say, however, that a majority of the board, after mature consideration, deemed it essential to the peace, harmony, and prosperity of the University, to vacate three of the Professorships; two of these are still vacant—one having been filled, as I have since been informed, at the September session of the board of trustees.

The subject of education is one of paramount interest, and merits the first and last consideration of an American legislator. Heretofore, preparatory steps only, have been taken to bring about the

establishment of the common school system in Indiana. The newness of the country, the sparseness of the population, and the demand for all the time and labor of the settler to prepare him a comfortable home, have, thus far, forbid any successful attempt toward accomplishing this desirable object. But the period has at length arrived when the field may be advantageously occupied; when the wants and circumstances of a vast majority of the people, are such as to justify, and even require immediate action. If we take the census of 1830 as a criterion, we have within the limits of the state about 272,000 minors over the age of five, and under the ages of eighteen and twenty-one years. This number, we know, is constantly and rapidly increasing, by means of emigration, and with it, as a matter of course, the necessity of devising some speedy and efficient plan to ensure instruction to them all.

To effect this object, the creation of a board of public instruction would probably be the most successful,—a board whose duty it should be to superintend the establishment of schools in every county; to see that the funds are carefully husbanded and equitably distributed; to provide competent teachers; and by public addresses, or otherwise, to wake up and encourage the people to lend a helping and sustaining hand in forwarding so noble an undertaking.

That we have abundant means already provided, with which to operate successfully and profitably on this plan, cannot, I think, be rationally denied. According to the very able and interesting report of Judge Kinney, prepared with great care and labor, as chairman of the committee on education, of the last house of representatives, we will have by 1850, in the saline fund, the tax on bank stock, the surplus revenue, the reserved sixteenth sections of land, the sinking fund or bank stock, the unsold saline lands, the lands returned as delinquent to the school commissioners, a capital rising four millions of dollars—two millions of which are now within the absolute control, and may be applied at any moment, by the legislature. The latter sum, therefore, judiciously invested, may be made productive of a revenue of at least one hundred and fifty thousand dollars per annum; enough certainly to answer present purposes, and to ensure a safe and prosperous beginning.

One of the great difficulties we have at present to encounter, is the scarcity of competent and qualified school teachers. To remedy which, a scheme something like this has been suggested; namely, to authorise a separate department in the State University, under the control of its president, devoted exclusively to preparing and qualifying young men for the duties of professional teachers. To the attainment of this object, the proceeds of the saline fund, amounting to some two thousand dollars per annum, might be profitably applied. This would enable the state to provide that the necessary books and tuition should be furnished free of expense, and that each county should be entitled to send one or more of their most deserving and promising young men. Imperfect as is this skeleton of the plan proposed, still, I flatter myself, that it will be sufficient to direct your

attention to the subject, and to call from your more matured and deliberate consideration a better.

On the subject of the state prison, I feel it my duty to remark, that a change, or improvement of some kind, in its present system of police, or government, is required to make it what it ought to be—in fact what it claims to be—a place both of punishment and reformation. If I mistake not, no steps have as yet been taken to provide the convicts even with the means of religious instruction—an omission, certainly, most fatal to the prospect of ever producing in them that radical and permanent reform, necessary to accomplish one of the chief designs of the institution. I would, therefore, respectfully recommend the appointment of a chaplain to the prison, who should receive a reasonable salary for his services. For particulars in regard to the manner in which the convicts are treated, as well as to the general police of the prison, I refer you to the accompanying reports of C. F. Clarkson, Esq., herewith submitted, the visitor appointed by the executive agreeably to law.

Since the adjournment of the legislature, I have received from the secretary of the treasury of the United States, the set of standard weights, authorised by congress, and designed for the use of Indiana. To ensure to every county the benefit of these, some legislation will be required at your hands. What this shall be, your own good sense and intelligence will readily enough suggest.

In consequence of receiving the appointment of United States' geologist, David Dale Owen, Esq. who, for the last two years has been acting in that capacity for the state, declined the acceptance of a re-appointment when tendered to him. These circumstances occurred so late in the season as to prevent, in my opinion, the selection of an individual equally prepared and competent, in time to enter upon the discharge of the duties required of him, with any hope of adequate profit or advantage to the community at large. The law too, creating the office, will shortly expire, which will devolve upon you the duty of either continuing or abolishing it altogether.

Every year furnishes fresh developments of the mineral resources of the state; and the enterprise of our citizens is rapidly drawing from them the means of increasing their wealth and capital. Within the last year, in addition to the Mishawaka establishments, works have been erected at Rochester in Fulton county, where bar iron of the first quality has been successfully manufactured; and ore abstracted from mines apparently inexhaustible, and certainly of the richest kind. We may, therefore, look to St. Joseph and Fulton counties as being able, by proper encouragement, in a short time, to supply a goodly portion of Indiana with the indispensable articles of iron and castings.

The period for again taking the census of the state, with a view to another apportionment of senators and representatives, having arrived, your attention to the subject is respectfully solicited.

I take pleasure in laying before you, according to request, joint resolutions of the legislatures of Maine, New Jersey, North Carolina,

and Missouri, on the subject of the public domain; also, joint resolutions of the state of Ohio, on the Maine boundary question; and also, a communication from his excellency the governor of New York, transmitting a law of that state, entitled "an act to authorise the arrest and detention of fugitives from justice from other states and territories of the United States," which I recommend to your special consideration. In addition to the foregoing, I submit to you the resolutions of the legislature of Kentucky, responsive to those passed by the legislature of Indiana, at the last session, on the subject of slavery.

The defeat of the Cumberland road bill in Congress, at the last session, caused great dissatisfaction among the people both of Indiana and Illinois. For the purpose of expressing their chagrin and disappointment at this result, and of adopting measures in relation to the further prosecution of the road, a convention of delegates from these states and Ohio, assembled at Terre-Haute on the eighth and ninth of July. A copy of the proceedings of this body has been furnished me by the president, and I most cheerfully comply with the request contained in one of the resolutions, and submit the same to the consideration of the legislature.

The improvement of the navigation, and particularly the removal of the obstructions at the falls of the Wabash river, continues deservedly to enlist the feelings and interests of the people of that rich and fertile valley. The tardiness with which operations have been carried on there, receives their marked disapprobation, and gave rise to a very spirited convention at Vincennes, in which all the counties interested were generally represented. I regret that it is not in my power, officially, to lay before you the result of their deliberations, as a copy of their proceedings has not yet been furnished me. I hope, however, to have that pleasure before your adjournment.

The importance of the harbor of Michigan City, and the extent of the commerce of northern Indiana cannot, perhaps, be better exemplified, than by giving you a statement of the business transacted at that point, during the past year. There have been, it seems, four hundred and seventy-three arrivals and departures of vessels of various descriptions; there have been shipped 272,400 bushels of grain, and 10,368 barrels of flour, besides large amounts of pork, and other articles, of which no exact account has been kept. During the same period, there have been unshipped at the same place 1,850 tons of merchandise, valued at 750,000 dollars, and 9,000 barrels of salt. In addition to all this, the necessity of improving the harbor as speedily as possible, is strongly demonstrated from the fact that within the three weeks, next preceeding the 23d of November, ten vessels have been stranded in its vicinity, and the cargoes of some of them, consisting of wheat and flour; entirely lost to the owners. On this account, perhaps, it would be well enough to urge the attention of Congress to the subject, and to request a sufficient appropriation to

render the harbor at once a safe and fit receptacle for the shipping of the lake.

Before closing this communication, I hope I shall be pardoned for again alluding to the pecuniary distresses of our fellow citizens. A remedy of some kind is called for—is absolutely necessary—if not to relieve, at least to protect their property from the most appalling sacrifices. The suspension of the public works, and the large arrearages due to contractors and the banks, which the State has thus far failed to discharge, will, unless some scheme of safety be devised, be the ruin of thousands. The people have been looking to these funds and the banks, as they had a right to, to furnish them with the requisite means of paying their debts and taxes. A doubt of the State's ability to meet her engagements punctually never, I suppose, entered their imaginations; or, perhaps, they would have displayed more caution in the extension of their obligations. But great as has been their disappointment, and desperate as appears their condition, yet in no instance—to their credit be it told—have we seen the slightest disposition manifested to have their property sheltered under the wing of stay or replevin laws. All they ask is, that it may, in the payment of their debts, bring, if not the full, at least a reasonable proportion of its value. And surely a fairer request could not well be made by one man of another. If loss is to be sustained, the debtor proposes to bear it; if profit accrues, he yields it to the creditor; and in no event does he ask the creditor to be the loser.

I hope, therefore, that all safe, correct, and constitutional expedients may be resorted to by you, to shield our fellow citizens from the dangers and losses which now appear to threaten them. Were their creditors disposed to be lenient, and give time, all would ultimately be safe. For time to them now is of incalculable value: they want time to economize; time to accommodate themselves to this sudden and unlooked for change of circumstances; time to settle and arrange their business; and time to convert their surplus produce into money. If they can be favored in this respect, I have no doubt of their ability, in one or two years, to disenthral themselves completely from the chief of their present embarrassments.

DAVID WALLACE.

Indianapolis, December 3, 1839

Doc. No. 11.]

[H. of R.]

CONDITION

OF THE

STATE BANK OF INDIANA,

ON SATURDAY, NOV. 16, 1839.

[One thousand copies ordered to be printed.]

OSBORN & CHAMBERLAIN,

Printers to the State.

Condition of the State Bank of Indiana,

Bills discounted on personal security,	\$3,004,806	84	
Domestic bills of exchange,	-	712,200	67
			<hr/> \$3,717,007 51

SUSPENDED DEBT.

On personal security,	-	-	203,325	92	
On bills,	-	-	11,873	00	
On bonds and mortgages,	-	-	3,091	50	
					<hr/> 218,290 42

REAL ESTATE.

Banking houses, (value at cost,)	-	-	179,083	52	
Other real estate, do. do.	-	-	2,400	00	
					<hr/> 181,483 52
Furniture and fixtures,	-	-			7,068 79

DEPOSITES IN AND DUES FROM BRANCHES AND BANKS.

Indianapolis Branch,	-	-	5,763	22	
Lawrenceburgh "	-	-	1,408	38	
Richmond, "	-	-	16,828	90	
Madison, "	-	-	12,233	00	
New Albany, "	-	-	539	34	
Evansville, "	-	-	8,649	33	
Vincennes, "	-	-	22,066	27	
Bedford, "	-	-	27,548	52	
Terre Haute, "	-	-	13,580	71	
Lafayette, "	-	-	946	84	
Fort Wayne, "	-	-	3,287	58	
South Bend, "	-	-	4,882	58	
Michigan City, "	-	-	46	05	
					<hr/> 117,780 72
Other banks,	-	-			146,499 22
Indiana state bonds,	-	-			294,000 00
The state of Indiana, for deferred payment of advances on public works,	-	-			655,379 15
Remittances and other items,	-	-			141,268 63

AVAILABLE FUNDS ON HAND.

Bank Notes.

Other branches of the State Bank,	-	-	150,743	00	
Other Banks,	-	-	163,056	00	
					<hr/> 313,799 00

Specie.

Gold,	-	-	-	178,693	96
Silver,	-	-	-	821,477	64
					<hr/> 1,000,171 60
					<hr/> \$6,792,748 56

on Saturday, November 16, 1839.

Capital stock paid in by the state, -	\$1,259,950 00	
“ “ “ for Knox county, -	2,050 00	
“ “ “ idivid uals, -	1,333,221 63	
		<hr/> 2,595,221 63

PROFIT AND LOSS (UNDIVIDED.)

Prior to Oct. 31, 1839, - -	71,287 10	
Since, “ “ - -	12,702 92	
		<hr/> 83,990 02
Treasurer of the United States, -		47,707 69
School fund, - -	1,718 88	
Dividend due stockholders, - -	29,726 97	
Surplus fund, (amount) - -	233,382 06	
Sinking fund, remittances, &c. -	67,571 36	
Public officers, - -	20,695 57	
		<hr/> 353,094 84

DEPOSITES BY, AND DUES TO BRANCHES AND BANKS.

Indianapolis Branch, - -	4,228 03	
Lawrenceburgh “ - -	2,125 80	
Richmond “ - -		
Madison “ - -	7,287 98	
New Albany “ - -	44,063 71	
Evansville “ - -	1,351 86	
Vincennes “ - -	7,775 24	
Bedford “ - -		
Terre Haute “ - -	3,596 94	
Lafayette, “ - -	9,023 55	
Fort Wayne “ - -	3,452 24	
South Bend “ - -	5,965 43	
Michigan City “ - -	33,245 59	
		<hr/> 127,121 37
Other banks, - -		121,774 76
Circulation, - -	2,951,594 00	
Among the branches, - -	150,743 00	
		<hr/> 3,102,337 00
Individual depositors, - -		361,501 25
		<hr/> \$6,792,748 56

OFFICERS AND COMPENSATION.

STATE BANK.

Samuel Merrill, President,	-	-	-	-	-	-	\$1,500
James M. Ray, Cashier,	-	-	-	-	-	-	1,500
Jacob B. McChesney, Clerk,	-	-	-	-	-	-	200

BRANCHES.

Indianapolis.

Hervey Bates, President,	-	-	-	-	-	-	500
Bethuel F. Morris, Cashier,	-	-	-	-	-	-	1,500
Thomas H. Sharpe, Teller,	-	-	-	-	-	-	1,200
James P. Southard, Clerk,	-	-	-	-	-	-	500

Lawrenceburgh.

D. S. Major, President,	-	-	-	-	-	-	400
Enoch D. John, Cashier,	-	-	-	-	-	-	1,300
C. G. W. Comegys, Teller,	-	-	-	-	-	-	1,000
Wm. B. Thurston, Book Keeper,	-	-	-	-	-	-	400

Richmond.

Albert C. Blanchard, President,	-	-	-	-	-	-	400
Elijah Coffin, Cashier,	-	-	-	-	-	-	1,500

Madison.

James F. D. Lanier, President,	-	-	-	-	-	-	1,000
John Sering, Cashier,	-	-	-	-	-	-	1,500
Isaac C. Lea, Clerk	-	-	-	-	-	-	700
Samuel B. Sering, Assistant Clerk,	-	-	-	-	-	-	400

New Albany.

Mason C. Fitch, President,	-	-	-	-	-	1,000
James R. Shields, Cashier,	-	-	-	-	-	1,500
Victor A. Pepin, First Clerk,	-	-	-	-	-	800
Horace Barnes, Second Clerk,	-	-	-	-	-	650

Evansville.

John Mitchell, President,	-	-	-	-	-	
John Douglass, Cashier,	-	-	-	-	-	1,200
Horace Dunham, Clerk,	-	-	-	-	-	600

Vincennes.

D. S. Bonner, President,	-	-	-	-	-	
John Ross, Cashier,	-	-	-	-	-	1,200
George W. Rathbone, Clerk,	-	-	-	-	-	600

Bedford.

William M'Lane, President,	-	-	-	-	-	1,000
Daniel R. Dunihue, Cashier,	-	-	-	-	-	1,000

Terre Haute.

Demas Deming, President,	-	-	-	-	-	1,000
Aaron B. Fontaine, Cashier,	-	-	-	-	-	1,200
Nathaniel Preston, Clerk,	-	-	-	-	-	800

Lafayette.

Joseph S. Hanna, President,	-	-	-	-	-	
Rignal Mullikin, Cashier, house &c.	-	-	-	-	-	1,300
A. P. Linn, Teller,	-	-	-	-	-	900
George H. Harris, Clerk, and Notary fees.	-	-	-	-	-	

Fort Wayne.

Allen Hamilton, President,	-	-	-	-	-	
Hugh McCulloch, Cashier,	-	-	-	-	-	1,200
M. W. Hubbell, Teller,	-	-	-	-	-	850

South Bend.

John Egbert, President,	-	-	-	-	-	
Horatio Chapin, Cashier,	-	-	-	-	-	1,100
John Grant, Teller,	-	-	-	-	-	900

Michigan City.

William Clark, President,	-	-	-	-	-	800
D. G. Collamer, Cashier,	-	-	-	-	-	1,300
Samuel Gordon, jr. Clerk,	-	-	-	-	-	600

JAMES M. RAY, Cashier.

OFFICE OF THE STATE BANK OF INDIANA, }
 Indianapolis, December 5th, 1839. }



REPORT

OF THE

MAJORITY OF THE COMMITTEE

IN RELATION TO THE PUBLIC PRINTER.

December 10, 1839.

[Laid on the table and 200 copies ordered to be printed.]

The Select Committee, to whom were referred a resolution of the House to inquire whether there is now any printer to the House, ask leave respectfully to—

R E P O R T

That they consider a printer of the House, *an officer*, because he is elective. They consider his functions too to be very important, since upon his promptitude and fidelity to his trust, the publication of the laws of the land depends. The qualifications for this office are peculiar, and the motives weighty that operate in deciding between candidates. A man, therefore, who is elected to such office, is bound to perform the duties of it, on fulfillment of those views of the House under which he received their vote. For in the election of all officers the electors contemplate many other guarantees for the discharge of a trust, besides the bond and security usually required where pecuniary functions are involved. A delay, an omission, or a misprint of the laws for instance, might be attended with consequences for which no bond could indemnify the State. Accordingly it is the duty, and we are to presume it is the practice of the House in its election of printer, to secure a person who combines the greatest amount of qualification.

And since the office is one of honor as well as profit, it may be regarded as one of the few means of patronage possessed by the House, for the encouragement of merit, and particularly for the promotion of knowledge and learning, which is indeed the constitutional duty of the legislature. In so far, therefore, as the question of favor is concerned, a man who becomes the recipient, is bound in good faith to maintain the same relation by which his election was induced—and in so far as the question of qualification is involved he is bound in justice and in law, to retain unimpaired by any voluntary act of his own, particularly a pecuniary bargain, the same standard of fitness and capability, which was presented to the House for its suffrages.

Chamberlain & Osborn, then, publishers and proprietors of a newspaper, called the *Indiana Farmer*, were elected printers for the House in the session of 1837—8, to commence their duties in the session following. Before that session arrived, however, the firm was changed to Osborn & Willets: Chamberlain having sold out his interest, as it seems, both in the the press and the public printing to Willets. Chamberlain, indeed, now insists that he only sold the privilege of printing for the House, by which he would seem to mean, the advantage to that office of being selected or preferred, to perform a heavy and responsible job, and the repute resulting therefrom; whilst he could insist that he still retained the superintendence of the work. This view of the matter, however, is completely at variance with some important facts. The bills for the printing were made out in the name of Osborn & Willets, whose imprint was likewise on the public documents as public printers. This is, indeed, ascribed to a mistake of the foreman of that firm,—but such a mistake could not, probably have been made, repeated, and left uncorrected, if Chamberlain had been superintending, as public printer, contemplated by law. He would not have forgotten the insertion of his own name. Furthermore, it is testified by Willets and by his assignee, Underhill, that Chamberlain received a consideration, (less than an hundred dollars,) from Willetts when he became the printer; and recently, that Chamberlain agreed to pay Willets one hundred and fifty dollars, in consideration of the relinquishment by Willets, and the resumption by Chamberlain of the public printing. Chamberlain, indeed, contends that Willets or his assignee insisted on this payment, and intimates that he consented to it to avoid controversy. But he himself confesses that he resisted payment to Willets, on the ground that he had not received, originally, the price which Willets had stipulated to pay him; thus acknowledging a transfer for a valuable consideration. Nor will it answer to say that the amount was too small to be considered the price of the job, but must be regarded as a mere bonus paid for having the work done in that office. It seems, there was a purchase made of Chamberlain's share of the establishment by Willets, and in the price paid for that, the value of the public printing was reckoned.

This view of the transaction is corroborated by Osborn's case. Some time after Willets had purchased out the interest of Chamberlain, he

bought that of Osborn, (in the establishment of the Indiana Farmer,) and allowed him more than \$500 for the public printing. It seems that the press had been unprofitable in the hands of Osborn & Willets, and in making the purchase of Osborn's interest, Willets considered that the public printing was an appurtenance to the concern, to the property, not to the person of Osborn, and enhanced the value of that property more than \$500, for which he was accordingly allowed. If, therefore, Osborn was allowed that much for his share of the public printing after the purchase had been made of Chamberlain, and when of course, as there was less work to do, the job was less valuable, it is reasonable to conclude that Chamberlain was allowed not merely the sum, (less than an hundred dollars,) which is admitted as expressly understood, but much more that was included by implication, in the price of a losing establishment,—the public printing being an offset in the estimate of the value of a losing concern.

Osborn & Chamberlain had, then, both transferred their interests to Willets, for money. But they now contend it was not an assignment of the public printing, but only the privilege of doing the work. This is evidently a distinction without a difference. Willets could not have given Osborn a bonus of more than \$500 dollars, for the mere privilege of having the work done at his office, neither could he have purchased a losing concern of Chamberlain, and paid him a sum of money besides for his share of such privilege. Nor is it reasonable to consider either of them as superintendents of the work. Osborn on his retirement from the concern, leaves the place to reside in another county, whilst Chamberlain whose oversight was such as to permit his own name to disappear from the bills and title-page of the public documents as public printer, does not appear again to the public eye, until Willets became unwilling to proceed with the business of the establishment. He, then, knowing the work to be profitable, steps forward, but is required as the condition of resuming his functions, to pay Willets for the relinquishment of his unexpired time. And he agrees to it.

He then finds somebody else to do the printing whilst he receives, as he states, exclusively all the profits arising from the work, after allowing those whom he employs a regular compensation for the labor. If he has not as he contends, alienated his right to the public printing, then Osborn has not. Yet Chamberlain receives all the profit, exercises the superintendence, and Osborn is as if he were not, although he professes to be, yet the public printer, with Chamberlain as his agent. But if he and Osborn have divested themselves of the office, by selling their respective interests at different times, for sums of money, and retiring from the duties of the office, first one and then the other, neither can, after a lapse of time from the relinquishment of both reassume those functions. The trust thus abandoned returns to the body whence it emanated, after having been made a matter of merchandise, in contravention of its nature, and of the intention of those by whom it was delegated.

If the public printing were executed by mere contract, the course

of these parties, would be justifiable. But a public contract is usually, after the publication for proposals, taken by any person who can furnish evidence merely of pecuniary responsibility. But in the election of an officer like this, a multitude of other considerations prevail. Besides the bond and security given in this as well as in many other offices, the state relies on character and circumstances, and may aim to promote merit, reward public service and sustain the public press. If the duty and emoluments of this office can be transferred at pleasure, then it would be sought for temporary speculation, and might be assigned to persons not considered by the house as responsible, worthy, or eligible. The work might be done in another state, or even in an alien land, and be liable to interruption, delay, or mistake for which the bond would be no indemnity. It does not effect the question at all to contend that no default has yet occurred. This is not attributable to the fidelity of the parties. And it is the duty of the House, when it perceives a departure from the implied conditions of public service, and a decrease of the customary guarantee, to prevent default.

It is competent in the House to decide whether the office is vacant—for although the election of printer is provided for by law, yet as the printer of the House is an officer of the House, he is by the Constitution subject to its special control. He is not properly an officer of the state and removable only on impeachment but being elected by the House, he is, from the silence of the law and the necessity of the case removable by it. Certainly the House is competent to decide from the facts whether the office has been vacated or it might be paralyzed in its vital function by the delinquency of a single individual, with no remedy for years, but a pecuniary penalty, inflicted on his security.

It is gratifying to the committee to reflect that the House in asserting its own rights on this occasion and protecting the interest of the state, will inflict no injustice on the parties concerned—Osborn sold his interest doubtless for the whole unexpired time of the office for more than five hundred dollars to Willets, who had before purchased that of Chamberlain. Osborn, therefore, has no right of reclamation. Willets becomes, by pecuniary embarrassment unable to proceed with the labor, and unable to avail himself of the profits of the job.—Chamberlain comes forward to resume it, but does not repay to Willets as much as he originally received from him, for his interest or privilege. Neither Chamberlain or Osborn can, therefore, be considered losers, for it is perfectly clear that if Willets had not been overtaken by pecuniary embarrassment, but had gone on with his printing establishment to the conclusion of the term for which those printers were elected, neither of them would have had any further agency either in performing the duties or receiving the emoluments of the office. They cannot reasonably or justly claim any thing upon such a contingency as Willets' embarrassments in business—they cannot set up such a claim to bar the House against more effectual preven-

tion against the evils that threaten it and the state from such precarious arrangements for the public printing.

The committee annex the testimony taken in this case marked A, and offer the following:

Resolved, That there is now no rightful printer to this House.

ELLWOOD FISHER, Ch'm.

W. W. McCOY,

A. L. WHEELER.

A.

W. J. Brown, sworn.

Question. Do you know whether Chamberlain & Osborn gave bond for the performance of their duties as printers to the House of Representatives of Indiana?

Answer. Yes they did.

Question. Did they as such proceed to discharge their duties to the House?

Answer. Osborn & Willets did the printing.

Question. How long did they continue?

Answer. Until April 1839. The bill was made out against the state in the name of Osborn & Willets, as state printers.

Question. Has there been any transfer of the public printing?

Ans. Mr. Chamberlain has frequently told me he had sold out his interest in the printing office.

Question. Did he ever say any thing about transferring his interest in the state printing?

I don't know that he did.

Is Osborn now a recipient of the compensation for the state printing?

Ans. Mr. Osborn told me about the middle of July, he had sold out his interest in the whole concern. He then lived in Putnam county.

Question by Sweetser. Before the Legislature met, did Mr. Chamberlain present himself as state printer?

Answer. Mr. Chamberlain came to me to know what should be done, claiming to be state printer. I did not decide the question, but gave him the printing so far as I was concerned, and he has caused it to be done.

Question by Judah. In what manner has it been done. Has it been well done?

Answer. Yes, I think it has been well done, better than for two or three years.

Question by Sweetser. Have not the documents printed at the office of Stacy & Williams been better done than they ever were before in the state.

Answer. Better than any I have seen since I have been Secretary of State.

Question, by McCoy. Have you regarded Chamberlain and Osborn as the printers of the House, or Mr. Willets?

Answer. I, as well as the other state officers, on a consultation, did not conceive it our province to decide.

Question, by Judah. Did you not consider that whoever Osborn and Chamberlain employed to do the public printing, were authorized to do it?

Answer. I should have given it to them, until the question was otherwise decided.

Question, by Mr. McCoy. Did you not suppose that, under the

circumstances, under which Mr. Osborn left here, he had abandoned the state printing?

Answer. Mr. Osborn told me, Mr. Willets was to do the state printing. He, Osborn, was not to have any thing more to do with it, and I looked then to Mr. Willets to do the printing.

Question, by McCoy. Did Mr. Osborn tell you that he received any compensation for the public contract?

Answer. He did not.

Elijah Chamberlain sworn.

Question. When did Osborn and Chamberlain commence printing for the House of Representatives of Indiana?

Answer. We commenced about a year ago.

Question. How long did you continue so to print?

Answer. I, in connexion with Mr. Osborn, have done it, by Mr. Willets as my agent, for one year.

Question. Do you know whether Osborn ever sold out his interest in the public printing?

Answer. I understood that the profits of the printing were, by Mr. Osborn's agreement, to accrue to the benefit of Mr. Willets.

Question. Was there any compensation given by Willets to Osborn, directly or indirectly, for the privilege of doing the public printing? or was there any written contract between them?

Answer. None, that I heard or know of.

Question. When Osborn left here, or before or since, what agreement was made between you and him, respecting the public printing?

Answer. None.

Question. Did you consider the public printing a lucrative job?

Answer. Moderately so; affording a fair compensation.

Question. When Osborn relinquished the printing, did he receive any compensation for it, either in a credit for debts owing, or otherwise?

Answer. I understood that Mr. Willets, in purchasing of Mr. Osborn his part of the printing establishment, of which they were joint proprietors, was to receive the profits of the printing, and the debts due the firm, as a consideration for paying the debts of the establishment; it being the supposition that the establishment was more in debt than the sums due it.

Question, by S. During the time Osborn and Willets were performing the public printing, who were the owners of the press and materials?

Answer. Osborn and Willets.

Question, by do. Who superintended that printing?

Answer. Myself, Osborn and Willets.

Question, by do. During the printing this year, who superintended it?

Answer. Myself.

Jacob Willets sworn.

Question. Do you know any thing about the transfer of the public printing, by Osborn or by Chamberlain?

Answer. I purchased of Osborn his interest in the Indiana Farmer and book publishing business, as well as the privilege of the public printing. And I gave him at least five hundred dollars more in consideration of the public printing being included, than I would have done without it.

Question. Where has Osborne resided during the public printing of this session?

Answer. In Putnam county, about thirty miles from this place, he has resided for the last six months.

Question, by Sweetser. During the time of the public printing last year, who were the owners of the office?

Answer. Osborn and myself.

Question. What kind of printing was carried on in the office?

Answer. We printed the Farmer, Temperance Advocate, and job work, besides the public printing.

Question. Who received the profits of the public printing last year?

Answer. Osborn and Willets.

Question. Did Osborn at any time sell out his interest in that establishment to you?

Answer. He did, some time in May last.

Question. In that sale, did he contract with you to perform the public printing for him and Chamberlain, as they were bound in that contract?

Answer. That was the understanding.

Question. Who superintended the printing last year?

Answer. Osborn and myself, all of the time, and Chamberlain part.

Question. Did you dispose of your interest in that press?

Answer. Yes.

Question. What time?

Answer. Sometime in the month of August last.

Question. Have you done any of the printing this year?

Answer. I have not.

Question. Did Osborn and Chamberlain, or either of them, ever transfer, or attempt to transfer, the right of doing the public printing?

Answer. Not at all, to my knowledge.

Question. What station did you hold under them when you did it?

Answer. As their agent.

Question. How came the bill, against the state, to be made out in the name of Osborn and Willets?

Answer. Our foreman was a stranger and the job was charged on the books of Osborn and Willets to the state.

Question. How came the name of Osborn and Willets to be on the public documents, as printers of the state?

Answer. Owing to a mistake of our foreman.

Question. At the time you purchased out Osborn's interest in the establishment, did he, Osborn, pay you a consideration to do the public printing thereafter?

Answer. I can't say he did; because whoever did the printing was, according to the understanding, to look to the state for payment. There was an agreement to do the printing.

Question. Have you not since become unable to perform that agreement?

Answer. Yes.

Question, by McCoy. If the public printing had not been connected with the establishment; would you have purchased Osborn's interest in it?

Answer. I think I should; though that was one consideration in it.

Question. Then it was not in consideration of the public printing, that you purchased it?

Answer. No.

Question. On your relinquishment of the public printing, how did Stacy and Williams become the printers?

Answer. I know not.

Question. Whilst you were doing the work as agent of Osborn who was the agent of Chamberlain?

Answer. I considered myself the agent of both, and did the work as my foreman did—performed part of the manual labor and received pay for it?

Question. You say that in purchasing the interest of Osborn in the Indiana Farmer, you allowed him at least five hundred dollars for his interest in the public printing. Did Chamberlain at that time possess or receive any thing for his interest?

Answer. He did not at that time, he had received something before.

Question. Mr. Willets, have you stated you bought out his interest in the public printing any where?

Answer. I have not intended to state it any where.

Question. If in giving Osborn at least five hundred dollars more for his interest in the establishment of the Indiana Farmer, in consequence of thereby requiring the right to do the public printing than you would otherwise have done; you did not allow him at least that sum for his interest in the public printing—for what did you allow it to him?

Answer. For the privilege of doing the work and receiving the pay for it.

Question. Was it the agreement between you that he could at any time or on his own judgment resume the job himself or give it to another?

Answer. He or Chamberlain was to have the superintendence of it.

Question. You say that prior to the time you purchased out Osborn, Chamberlain had received some compensation for his interest in the public printing. What was that compensation?

Answer. Less than one hundred dollars. I allowed Chamberlain as well as Osborn, for the privilege of doing the public printing as a job at the office,

Question. Was not the public printing a part of the consideration which induced you in the first place to purchase of Chamberlain, and a part of the consideration in the second place in purchasing of Osborn their respective interests in the Indiana Farmer?

Answer. Not in the first place. But of Osborn it was a part in consequence of the business of the office.

John Wood,

Knows nothing about it.

Robert Underhill,

Question. Will you state to the Committee what you know about any transfer of the public printing by Chamberlain and Osborn or either of them, to any other persons?

Answer. I dont know of any transfer at all.

Question. Did you ever hear Chamberlain or Osborn state that he had parted with his interest in the public printing?

Answer. Never did.

Question. Do you know any thing about this matter at all?

Answer. I know I am bondsman for Osborn and Chamberlain.

Question. Did you ever understand from either Chamberlain or Osborn, that either had received any thing for transferring the public printing to any body else?

Answer. I have conversed with Chamberlain and he denied ever having transferred the public printing or received any thing for it.— I never heard Osborn say a word on the subject.

Question. Who are the assignees of Willets.

Answer. Myself and Daniel Yandes?

Question. In the assignment of his assets was the public printing a part?

Answer. There was no assignment of any public printing.

Question. Was the privilege by him possessed, used by him directly or through you, as a pecuniary advantage?

Answer. In settling with Chamberlain I charged him one hundred and fifty dollars in consideration of relinquishing to him, for Willets; the privilege of resuming the public printing. He disputed the charge. We were going to refer it—and he then allowed it and gave his note for the amount.

Question. In negotiating with Chamberlain, how much did he admit receiving for the original relinquishment?

Answer. He denied ever getting a cent. He was to have received something he said, but never got the pay.

Question. By McCoy. Did you ever express to Mr. Chamberlain any apprehension that the public printing would not be performed af-

ter passing out of his hands?

Answer. Not to my recollection.

William Stacy, Sworn.

Question. Are you one of the printers now of the public printing?

Answer. I am doing the work.

Question. By what authority?

Answer. As Osborn and Chamberlain's agent.

Question. What is your agreement?

Answer. Our agreement is that we are to receive about forty five cents per 1000 ems.

Question. Do you make out the bills against the state?

Answer. No, I look to Chamberlain as the acting party of Osborn and Chamberlain.

Question. Is this contract liable to be annulled by him at any time?

Answer. We are to do the work well and in case of default, of which it is not agreed who is to judge, it may be annulled at any time? If the state complain, then he has a right to take it from us.

Question. What does Chamberlain charge the state for the printing done?

Answer. He charges the state 62½ cents per 1000 ems.

Question. What is the function of Chamberlain now in this business?

Answer. He superintends the whole affair. I assist him in reading the proofs.

Chamberlain,

Question. Do you receive the whole of this compensation for the printing?

Answer. After paying all the expenses, I expect to receive the profits if there are any.

Daniel Yandes,

Nothing of consequence.

Underhill.

Question. Were you apprehensive at any time lest you might become liable to the state, in consequence of the transfer from Chamberlain?

Answer. I never was uneasy at all about it.

Question. Before you got this note from Chamberlain, whether you threatened to sue it?

Answer. No, I had not, but agreed to refer it to lawyers, but they being absent, we settled it ourselves.

REPORT

OF THE

MINORITY OF THE COMMITTEE,

TO WHOM WAS REFERRED THE RESOLUTION OF THE HOUSE RELATIVE
TO THE PUBLIC PRINTING.

[Dec. 10, 1839, laid on the table, and two hundred copies ordered
to be printed.]

The undersigned, the minority of the Committee to whom was referred the resolution of this House, relative to the public printing thereof, beg leave respectfully to

REPORT:

That they do not consider the public printer of this house, to be a State officer; but as a contractor to the State, to perform certain ministerial duties, for the performance of which he gives bond and security, as required by law. That he stands in an attitude to the State similar to a contractor to furnish wood for the State, or to distribute the laws and journals. They find from the evidence, that the printing for the house, at their last session, was done under the immediate supervision of either Osborn or Chamberlain, or both, and was done to the acceptance of the Secretary of State. That before and during the present session, it has been done, and is doing under the supervision of Chamberlain, and in a style superior to any public documents that have heretofore been printed in the State. That they have kept and fulfilled their contract thus far; and that the State has no right to annul the said contract on her part, without doing manifest injustice, so long as there is no default on the part of Osborn and Chamberlain, who are residents of the State.

A great emergency may arise, when a State, from necessity, may annul a contract on her part; but then she is bound, by every principle of justice, and also by our constitution, to make compensation; and the undersigned do not believe that the printing of the House of Representatives, for two years, is such an emergency as will justify the State in violating her contract, either with or without compensation.

Secondly. If it be conceded, that the printer to this house is an officer of State, in contemplation of the laws, the undersigned do not conceive there is a vacancy, nor that he can be removed, except by impeachment, so long as he claims to hold the office. At any time when there was printing for this house to be done, has either Osborn or Chamberlain, in person, at the seat of government, if that is required, failed to superintend the printing in person; and performed it to the acceptance of the most critical? How then can a vacancy occur, when the incumbent has at all times been present, when necessary, and personally in the discharge of his duties? An office itself is not assignable, nor has any attempt been made by Osborn and Chamberlain to assign their office. But the ministerial duties of any office may be done by a substitute. A sheriff, or clerk, may perform all his duties by substitute, and they may give the whole profits of their office to such substitute, or he may make such bargain as he can; he being responsible for the performance. The printer to this house must of necessity employ substitutes, as no one man, nor two, can do all the labor, in the time required. The principal must of necessity select his agents, and who they shall be, or how many, or what part they shall perform, or whether all or not, so that the contractor or officer, if that term is proper, is responsible and causes it to be done, this house cannot enquire. They see and know, that he is here, has well performed, and is still well performing, the functions of his office. With this knowledge, and these facts before them, this house, in the opinion of the undersigned, cannot declare the office of public printer to this house vacant. Which is respectfully submitted.

PHILIP SWEETSER,
SAML JUDAH.



REPORT

OF THE

FUND COMMISSIONERS

IN RELATION TO

DOCTOR COE.

[Laid on the table, and 100 copies ordered to be printed.]

*Office of Fund Commissioners,
Indianapolis, Dec. 12, 1839.*

Hon. James G. Reed,

Speaker of the House of Representatives,

Sir: In obedience to the resolution of the House of the 10th inst. handed me this morning, "requiring the Fund Commissioners to report to the House at as early a day as possible, what service has been done the state by Dr. Isaac Coc, since their appointment to office, by what authority retained, what time spent, and what amount of money they paid him out of the public funds of the state," I have the honor to submit the following report:

The law of the last session of the Legislature, creating the present board of fund commissioners and terminating the services of the last, took effect from and after the first of March last. Sales of bonds to the amount of one million two hundred thousand dollars had been

made by the former board, and owing to the delay caused by having to send a part of those bonds to Indiana for the signature of Mr. Smith, it was impossible to close the transaction during the official existence of the old board. This rendered it necessary for one of the commissioners to remain in New York, not only to take charge of the valuable papers and property of the state, but to sign the coupons of the bonds thus sold, which would require about two weeks. This duty could be performed only by one of the commissioners who had signed the bonds, and had all the commissioners left their post when they ceased to exist as a board, the consequences would have been exceedingly detrimental to the public interest. In the first place the bonds, that had been engraved and signed by the board, would be lost, considerable delay and expense incurred in having new ones prepared, and a payment upon them, which was much wanted, postponed by their non-delivery according to contract. Other bonds, that had been engraved and signed by the old board, by having a number of that board to sign the coupons, could be used and save the expense of procuring new ones; and were thus used in the following sales, viz:—\$400,000 for the sale for the Wabash and Erie canal in April, \$294,000 to the banks for the 4th instalment of the surplus revenue and \$600,000 for the internal improvement made in August last.

As nearly as I can now recollect, General Stapp reached New York on the first of April, I received my appointment from the governor on the 12th, left my residence on the evening of the 14th, and arrived at New York on the 23d of April. When I arrived, Dr. Coe had not completed all the bonds then sold, and from the best of my recollection, did not until about the first of May. After this period, he was retained for the following reasons:

On examination of the books and papers, I found due the state by different institutions for the purchase of her stocks, the large sum of *one million seven hundred and ten thousand dollars*, exclusive of the balance due from the Cohens. For these sales, various kinds of securities had been taken, the exact condition and value of which it would be exceedingly difficult for a stranger, to the several transactions, readily to comprehend from the papers themselves. This remark is particularly applicable to the Cohen debt, which Dr. Coe had *alone* compromised and arranged, under authority from the legislature. By reference to the report of the former board upon this subject, it will be seen that many different kinds of property had been taken, all of which required more or less attention. Mortgages had to be looked to, interest paid, rents collected, and a suit in court in Baltimore then pending, growing out of some of the stocks transferred in payment of the debt. I thought no one could so well attend to these matters as him who had the entire negotiation of them. Another reason which render the assistance of a clerk for a short time somewhat desirable, was the fact, that general Stapp was under the necessity of returning for a few weeks to Indiana, leaving near a thousand bonds; and seventy thousand coupons to sign for the bank loan. I beg leave further to remark, that I arrived in New York in the early stages of one of the

most remarkable pressures upon the commercial and monied interests of the country that has marked its history for many years—a large debt due the state which every day rendered more and more difficult to collect, and equally difficult to negotiate additional sales of bonds—the banks and individuals to whom the state was indebted calling loudly for their money, and the board without means to meet the demands daily pressing upon them, as the financial agents of the state. Under these circumstances, the board thought themselves fully justified in employing the services of Dr. Coe, or any one else, if by that means there was the slightest prospect of collecting the debts of the state.

Dr. Coe was employed as a clerk of our board from about the first of May, the period of which his duties as a member of the former board were finished, until the 22d of August, for which he was allowed the same compensation that the board themselves received, viz: three dollars per day and expenses.

Respectfully submitted,

L. H. SCOTT, F. C.

The first part of the paper is devoted to a general
 discussion of the problem. It is shown that the
 problem is of great importance in the theory of
 functions. The second part is devoted to a
 detailed study of the problem. It is shown that
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 functions.

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REPORT

OF THE

FUND COMMISSIONERS

IN ANSWER TO

A RESOLUTION OF THE HOUSE.

[Laid on the table, and 500 copies ordered to be printed.]

Office of Fund Commissioners,
Indianapolis, Dec. 16, 1839.

Hon. James G. Read,

Speaker of the House of Representatives,

SIR: The following resolution has been communicated to the fund commissioners:

Resolved, That the fund commissioners be required to report to this House why they failed to receive security for the proceeds of the bonds sold by them, signed by Isaac Coe, James Farrington, and Caleb B. Smith, former fund commissioners to the Morris Canal and Banking Company, for a loan of four hundred thousand, one hundred and sixty dollars, and all other bonds, if any, in a similar situation.

In obedience to the above resolution, I have the honor to remark, that at the period of the above sale, the Morris Canal and Banking Company were considered to be in a safe and sound condition, and amply responsible for all their liabilities.

They had already been the purchasers of upwards of five millions eight hundred thousand dollars of our stocks, and had paid five millions, or very near it, in cash, and had never failed in meeting their engagements, but were frequently in advance to the commissioners, and at one period rising of five hundred thousand dollars. It is always desirable, so far as it can be safely done, to confine our stocks to as few hands as possible. Whenever a sacrifice is made, it almost invariably falls upon small holders, who have no interest in sustaining their credit. The only reasons the undersigned can give for the sale having been made without security, are those already glanced at, together with their great desire to make arrangements to meet the pressing calls upon our public works. The undersigned still hopes and believes, that, with a favorable change in the money markets of this country and of Europe, that all may yet be safe; but it must be manifest to all, (however much to be regretted by every citizen of the state, and by none more deeply than by your commissioners,) that the entirely unavailable character of state securities now at the east, or in Europe, renders the situation of all institutions engaged in the purchase and sale of them exceedingly precarious. They are in the same situation of the merchant and trader of our country, who, although possessed of ample evidences of debt from their customers, yet on a sudden emergency, would find great difficulty in converting those evidences of debt into money, even at a sacrifice of half their value. Of course, it is impossible and unsafe to predict the issue of such adverse circumstances.

The annexed table shows the amount of monthly payments by the Morris Canal and Banking Company, from January to October, inclusive.

Respectfully submitted,

J. H. SCOTT, F. C.

January, 1839,	\$253,523 69
February, "	216,658 78
March, "	164,619 01
April, "	124,661 64
May, "	145,873 30
June, "	2,745 23
July, "	437,825 45
August, "	249,083 51
September, "	10,306 11
October, "	7,090 00

\$1,612,386 72

REPORT
OF THE
FUND COMMISSIONERS

IN RELATION
TO THE DEBTS OF INDIANA IN NEW YORK.

[Referred to the Committee on Canals and Internal Improvement,
and 500 copies ordered to be printed.]

*Office of Fund Commissioners,
Indianapolis, Dec. 18, 1839.*

Hon. James G. Read,
Speaker of the House of Representatives.

SIR: I enclose you herewith, for the information of the House of Representatives, a copy of a letter received this day from General Stapp, in relation to the debts of Indiana in New York, which please lay before the House.

With much respect,
Your obedient servant,
L. H. SCOTT, F. C.

New York, Dec. 11, 1839.

DEAR SIR: The outline of a settlement with the Morris Canal and Banking Company is agreed upon, and Mr. Biddle and myself go to Philadelphia to-night, to try and consummate the agreement. He has to get from the United States Bank \$100,000 of Beers' certificate of deposit, in order to consummate the matter—this he thinks he can do. He gives me of Beers' certificate of deposit, due first January next, \$50,000, due first July next, \$50,000, due first January, 1841, \$196,000. He gives Morris Canal and Banking Company post notes for half the balance of the principal, due in equal payments, 1st April, July, October, 1841, and January, 1842; for the balance he gave Morris Canal and Banking Company notes, due first January, March, May, July, September and November, 1841, which may be renewed 12 months, by giving further security, provided stocks will not then sell at a fair rate. He gives their post notes for the interest due in January and July, in each year, until the whole is paid. He gives me divers stocks for security. I do not think the security entirely ample, but it is the best that can be done. I think Merrill and them will settle.

Very respectfully,

MILTON STAPP.

*Office of Fund Commissioners,
Indianapolis, Dec. 18, 1839.*

Hon. James G. Read,

Speaker of the House of Representatives.

SIR: The following resolution has been communicated to the Fund Commissioners:

“Resolved, That the Fund Commissioners be requested to report to this House whether any state bonds have been sold to a company in Madison, or any other company in this State, for the purpose of prosecuting the Madison Road, or any other State improvement; and if so, to what amount, and for what purpose, and to whom sold.”

In obedience to the above resolution, I have the honor to state, that some time in the early part of November last, the Commissioners made a conditional contract with certain citizens of Madison for the sale of four hundred thousand dollars of State bonds, the proceeds of which, under the direction of the Board of Internal Improvement were to be applied in the prosecution of the work upon the Madison and Indianapolis rail road. The contract was taken by General Stapp to Madison to arrange the securities, and has not yet been returned; so that I am unable to state all the names, but those of Messrs. William Hendricks, John Woodburn, V. and J. King, and George Leonard, are recollected.

The payments were to be made as follows: one sixth part on the first January, 1840, and one sixth every two months until the whole is paid; and secured by the Insurance Office and Savings Institution of Madison. Being unacquainted with these institutions, and some of

the names, I should have hesitated in making the sale without further security, but for my knowledge of the high standing and great wealth of the two first names upon the contract, those of Messrs. Hendricks and Woodburn.

The *condition* annexed to the contract is, that the company shall not be compelled to take the bonds, unless they can convert them into money, or make such other negotiation as will enable them to apply the proceeds upon the work. It will readily occur to the House of Representatives, that *this condition* is the reason why the sale, with the others, was not reported. At the commencement of the session, a memorandum of it was handed to the Chairman of the Committee on Internal Improvements.

Respectfully submitted,

L. H. SCOTT, F. C.

A LETTER

FROM

L. H. SCOTT, F. C.

TO THE

HON. AMOS LANE,

IN RELATION TO

**BONDS SOLD FOR THE MADISON AND INDIANAPOLIS
RAIL ROAD.**

[100 copies ordered to be printed.]

*Office of Fund Commissioners,
Indianapolis, Dec. 20, 1839.*

Hon. Amos Lane, Chairman, &c.

SIR: In reply to your note of this morning, enquiring whether the Bonds sold to the Hon. William Hendricks and others of Madison had been delivered, I have the honor to reply, that the Bonds were signed

by me and delivered to General Stapp, to arrange the securities at Madison, and deliver them to the purchasers, when all had been consummated.

Very respectfully,

Your obedient servant,

L. H. SCOTT, F. C.

Memorandum of an agreement made and entered into this 19th day of October, 1839, by and between Milton Stapp and Lucius H. Scott, Fund Commissioners of the State of Indiana of the first part, and William Hendricks, John Woodburn, George W. Leonard, Victor King, and John King, of the second part, witnesseth, that the said party of the first part, have this day sold to the said party of the second part, Indiana State Bonds to an amount not exceeding four hundred and fifty-five thousand dollars of the Indiana five per cent. State stocks, under the act entitled "An act for the further construction of the Madison and Indianapolis Rail Road," approved February 6th, 1839, at and for the sum of eighty-eight dollars to the one hundred dollars of State bonds. The sums to be paid by the party of the second part, to be laid out and expended under the direction of the Board of Internal Improvement on said road. Said bonds to be delivered to said party of the second part, on or before the 10th day of December next. And the said party of the second part agree and bind themselves to make payment to the said party of the first part, in bank paper current in the ordinary business transactions of the State of Indiana at the time of payment, in instalments as follows, to wit: on or before the first day of March, 1840, the one-sixth part of the amount so sold. On or before the first day of May, 1840, a like sum of one sixth part of the amount so sold. And so on, one-sixth part every two months, until the whole shall be paid; so that the last payment shall be made on or before the first day of January, 1841. The payments to be made in Madison, Indiana; and if any payments shall at any time be made, before due, interest therein shall cease. And the said party of the second part further agree, that they will make their promissory notes to the said party of the first part, for the payment of the same as before-mentioned, and have the same guarantied by the Madison Savings Institution, and the Madison Insurance Office, to be delivered to the Fund Commissioners, so soon as the contract is consummated; and it is further agreed, that if no satisfactory arrangement can be made by said party of the second part with the Comptroller of the State of New York, on or before the first day of January next, on the usual terms of accepting said bonds of similar character as heretofore, as a basis of circulation under the free banking law of that State, at the rate of from 85 to \$100, or if no other satisfactory disposition of said bonds can be made by the said party of the second part, then the said party of the second part will not be bound to take said bonds, or

confirm said contract. It is further agreed, that the said party of the second part shall pay six per cent. per annum interest on all sums of their contract, remaining unpaid from the first day of January next, until they make payment, and that the State bonds shall bear an interest of five per cent. from the first day of January next.

Witness our hands and seals, this 10th day of October, A. D. 1839.

(Signed duplicate.)

M. STAPP, F. C. [L. S.]

L. H. SCOTT, F. C. [L. S.]

WILLIAM HENDRICKS, [L. S.]

JOHN WOODBURN, [L. S.]

GEORGE W. LEONARD, [L. S.]

V. & J. KING. [L. S.]

REPORT
OF THE
CHIEF ENGINEER,

IN RELATION TO
THE ORIGINAL AND PRESENT ESTIMATES OF
THE PUBLIC WORKS.

JANUARY 3, 1840.

(One thousand copies ordered to be printed.)

Office of Chief Engineer, Indianapolis, Dec. 31, 1839.

To the Hon. House of Representatives.

In answer to a resolution of the House of Rep. of the 24th inst. requesting "a full statement, showing the amount of the original estimates of each work, authorized by the Internal Improvement act of 1836; the appropriation made on each work by said act; the present total estimated cost of each work, based upon the contract prices; the estimated amount of work done and the amount yet to be done to complete each work; stating the prominent causes if known to him, which have swelled the actual cost beyond the original estimate; and the length of each work according to the last and most approved survey, from the point of its commencement to its termination," the undersigned has prepared the following:

TABULAR STATEMENT.

NAME OF WORK.

	Length in miles including navigable feeders.	Original estimates before the Legislature of 1835—36.	Original appropriation by the act of 1836 included in the ten million loan.	Estimate of work done up to 1st Nov. last exclusive of superintendence.	Estimate for completing each work exclusive of superintendence.	Probable total cost of superintendence and contingent expenses.	Estimated total cost, when completed, including superintendence.
Wabash canal from Tippecanoe to Lafayette (See Doc. of 1834—35,)	14 ¹	203,928		266,541	30,577	10,000	307,118
Wabash canal from Lafayette to Terre Haute, (See Doc. 1835—36,)	90	1,067,915	1,300,000	34,210	1,245,790	75,000	1,355,000
Crosscut canal from Terre Haute to Central canal, (Doc. 1835—36,)	49	629,631		336,825	351,847	30,000	718,673
White Water canal from Lawrenceburgh to mouth of Nettle Creek, (Doc. 1834—35,)	76 ¹	1,142,126	1,400,000	966,856	658,882	50,000	1,675,738
Connection between White Water and Central canal, (no original survey,)	40	550,440		0,000	320,000	15,000	335,000
Central canal from W. & E. canal to Indianapolis including Muncietown feeder, (Doc. 1835—36,)	124 ¹	2,103,153	3,500,000	412,562	1,787,291	100,000	2,299,853
Central Canal from Indianapolis to Evansville (Doc. 1835—36)	194	2,400,947		760,694	2,661,700	110,000	3,532,394
Eric and Michigan canal, (no original survey,)	182 ¹	2,514,456		65,476	2,449,347	110,000	2,624,823
Madison and Indianapolis rail road, (Doc. 1835—36)	85 ³	1,094,484		1,095,888	1,026,993	85,000	2,207,881
Indianapolis and Lafayette road, (Doc. 1835—36,)	73	899,944	1,300,000	56,144	507,593	30,000	593,737

New Albany and Vincennes McAdamized road (Doc. 1835—36,)	105	1,590,747	1,150,000	573,106	489,189	65,000	1,127,295
Jeffersonville and New Albany rail road, grading and track, (no original survey,)	4½	83,036		124,266	42,534	8,000	174,800
Jeffersonville and Crawfordsville road, New Albany to Crawfordsville, grading and bridging (Doc. 1835 —36,)	160	628,582	1,300,000	183,777	568,223	50,000	802,000
Jeffersonville & Crawfordsville road, New Albany to Crawfordsville, stone covering, (no original esti- mate,)		960,000		0,000	640,000	35,000	675,000
Joint improvement of Wabash rapids, one half of whole cost entered, (no original survey,)		80,000	50,000	6,028	86,472	10,000	102,500
Total on the works embraced in the internal im- provement act of 1836,	1199½	15,949,389	10000000	4,882,373	12866438	783,000	18531811
Wabash and Erie canal. State line to Tippe- canoe, authorized previous to 1836,	129½			1,718,841	138,031	110,000	1957010
Steam boat lock and canal, mill races, &c. at Del- phi dam: as directed by special acts of legislature,				18,589	53,556	3,000	75145
Total, embracing all the works authorized by ex- isting laws,	1329½			6,619,803	13058025	896,000	20563966

EXPLANATION OF THE TABLE.

For the Erie and Michigan canal, and the connecting work between the White Water and central canals, no survey had been ordered previous to the passage of the act of 1836: consequently, no estimate of their cost was before the Legislature, on the passage of that act. But it could not have been supposed that these works would be constructed without cost. The most reasonable supposition in these cases is, that the Legislature of 1836, in their preliminary deliberations, adopted the average per mile of the six canals reported, as the average cost of these routes. This average, amounting to \$13,761 per mile, has therefore been adopted in filling up the column of original estimates in the foregoing table, for those canals on which no survey had been made.

For the rail road between Jeffersonville and New Albany, no survey had been ordered previous to 1836. For the reasons above stated, this work has been carried out in the table at the average estimate of other rail roads.

On the McAdamized road from New Albany to Crawfordsville, no estimate for metalling was reported to the Legislature, but only an estimate for the grading. The act of 1836, however, directed the road to be McAdamized, and it is fair to presume, that in considering the cost of McAdamizing, the Legislature must have had reference to the estimates reported for metalling other roads similarly situated in regard to the convenience of stone for this purpose. This item has, therefore, been carried out at the average on the road from New Albany to Paoli, as then reported to the Legislature.

For the improvement of the Wabash rapids, no accurate estimate appears to have been before the Legislature in 1836. The sum of \$80,000 is carried into the column of original estimates, on the ground that this sum bears the same proportion to the amount appropriated, that the estimates bear to the appropriations on other works.

The total cost of the several public works, or parts of works here named, on which no survey or estimate had been ordered previous to the passage of the act of 1836, but which were directed by that act to be constructed, amounts to \$4,187,932, as stated in the columns of original estimates.

Since the passage of the original act, the character of the road from Indianapolis to Lafayette, and also of the connecting work between the White Water and the Central canals, has been changed to a turnpike road, which makes a material reduction in the cost. The estimated cost of these roads, as stated in the last column of the foregoing table, has been carried out at \$8000 per mile; \$4000 of which have been allowed for covering the roads with gravel, stone, &c. which is deemed sufficient to make a pretty good road; though not adequate to form a perfect McAdamized covering, where stone is so remote.

On the New Albany and Vincennes Road, the total estimate, as shown in the right hand column, is made out upon the principle of allowing \$4000 per mile for the metal covering west of Paoli. This

sum will form a very good road, though not sufficient to put on a regular McAdamized covering, which, from the scarcity of stone west of Mount Pleasant, would be very costly. This will account for the present estimate on this road falling below the original estimate.

By comparing the total of the two columns containing the original and present estimates, on the works embraced in the act of 1836, it will be seen that the latter exceeds the former by the sum of \$2,582,422. It must be remembered, however, that three of the works have been changed in their character, and a cheaper work is now estimated than was originally designed. Deducting these three works from both columns, and confining the comparison, as it should be, to those works which remain the same in their character, it will be seen that the present estimates, based upon contract prices, exceed the original estimates by the sum of \$3,567,521, which is equal to an average increase of about 23 per cent.

This increase of cost may be accounted for, on some of the lines, by the adoption of more permanent and more costly structures than were originally estimated. This remark will apply particularly to the White Water line. In making the original estimate of the locks on the upper division, sixteen of them, between Brookville and the National Road, were estimated of rough dry walls lined with timber. These locks are now being constructed of cut stone, and in the most permanent manner; by which change of plan the first cost of the canal has been increased as much as \$80,000; but the future cost of repairs will be much reduced by the change. No one who has observed the excellent quality of the stone, and the superior manner in which the locks are progressing, and who considers the future saving which will be realized in the cost of repairs, will doubt the propriety of this change.

A part of the large increase of cost on the Madison and Indianapolis road may be accounted for, in like manner, by the adoption of a heavier and more permanent iron rail than was originally estimated.

But the principal cause of the increased expense must be attributed to the very great advance in the cost of provisions and labor, from 1835 to 1838. That the cost of public works must always vary with the fluctuations in the value of labor, and of provisions for the support of that labor, is a self-evident proposition. The cost of these items always forms the main element upon which the engineer bases his computation of the cost of a projected work. Any great change in these elements, from the time of estimating the probable expense of a public work, to the period of its construction, must, of course, produce a corresponding change in the cost.

By reference to an authentic source of information, I have ascertained, that the average price of flour in the city of New York, (which to a great extent governs other markets,) during the years 1834 and 1835, was \$5,40 per barrel; while the average price during the years 1837 and 1838 was \$9,56; shewing an increase from the time when the original estimates of our public works were made, to the period when most of the labor has been performed, of 77 per cent.

The increase in the price of pork, in the same market, during the same time, has been 47 per cent.; giving an average increase in the cost of provisions of 62 per cent.

During the year 1834, common laborers were employed on the public works then in progress, for about \$13 per month. But in 1837, the average price paid by the contractors throughout the State, was near \$19 per month, as will be seen by a statement in my annual report of that year; which shows an advance in the cost of labor, corresponding very nearly, as it always must in this country, with the advance in the value of the leading products of agricultural labor.

These facts, it is presumed, will be viewed as a sufficient cause on most of the public works for the excess of the actual cost over the original estimates.

The first estimate of a canal or road, which should only be viewed as an approximation, is necessarily made from hasty surveys, and without the advantage of accurate cross levels, and for this reason it not unfrequently happens, that the accurate measurement of the quantities of excavation and embankment on the construction of the work, varies considerably from the original measurement. As the undersigned had no immediate charge or control of the original surveys and estimates, on which the bill of 1836 was based, (excepting on one of the canals,) he is not able to determine what part of the excess of cost is justly attributable to such variation in the measurement of quantities.

The excess of actual cost over the original estimates, it will be observed, is much greater on some lines than others. It appears to be larger on the roads from Madison to Indianapolis, and from Jeffersonville to New Albany, than on any other routes, amounting on each of these lines to more than 100 per cent.

In a special report submitted to the last General Assembly by the undersigned, the costs of all the improvements was estimated at \$21,000,000, exclusive of an allowance then made to cover repairs. The total estimate in the foregoing table is less than the former estimate, by the sum of \$436,034, which is owing to the cheaper plan upon which the stone covering of some of the roads is now estimated.

Which is respectfully submitted,

J. L. WILLIAMS,
Chief Engineer.



COMMUNICATION

FROM

MR. STAPP,

FUND COMMISSIONER.

JANUARY 6, 1840.

(Referred to Select committee heretofore appointed and 500 copies
ordered to be printed.)

CITY OF NEW YORK, DEC. 21, 1839.

Hon.

John Hunt,
G. G. Morrison, } Committee of the House of Rep. of the State
P. Sweetser, } of Indiana.

Gentlemen, your favor of the 12th inst. enclosing a resolution of the House, of which you have the honor to be members, raising a committee to correspond with me in this city, "with a view to ascertain the value at this time, of the bonds, and other securities of the Morris canal and banking company, that are the property of the State of Indiana, and at how small a sacrifice such bonds and other securities

could be converted into available means for the immediate use and benefit of the State," was received in due course of the mails. In answer to which, I have to say, that in the present state of the monetary affairs in this city; the best securities now offered for sale *for cash* will not bring any thing like a fair price in the market.

Five per cent. State stocks would not now sell for more than seventy-five per cent. *cash*, and the Morris canal and banking companies six per cent bonds, in the present shape to us could not be expected to bring more. And were they now put into the market without the State's endorsement, it might cast a suspicion against the institution which would prevent any sales whatever, and perhaps destroy its ability to pay us hereafter.

Previous to receiving your communication, I had signed a conditional contract with the Morris canal and banking company, to receive of them for the amount owing to us, certificates of deposit of the North American Trust and Banking company endorsed by them for \$296,000 payable as follows on the 1st day of Jan. 1840, \$50,000, on the 1st day of July, 1840, \$50,000, and the 1st day of January, 1841, \$196,000, and for one half of the balance, their own post notes payable 1st of April, July, and October, 1841, and January, 1842, and for the ballance, their ordinary bonds payable 1st of January, March, May, July, September, and November 1841, renewable for twelve months, unless at that time State stocks should command a fair price. And for the interest now due us, and which may accrue on these debts, to receive their own post notes, payable the 1st of January and July in each year; all to be secured.

Since signing the above mentioned contract, I have verbally agreed with Mr. Biddle that I will take Indiana bonds without loss to the State for the whole debt due us, or for any part thereof, crediting the bonds delivered to the longest deferred portion of their debt. This he expects to accomplish, for at least half the debt, if not for the whole.

So soon as this settlement is concluded with this establishment, which must be in less than a week, I will communicate to my associate Mr. Scott the means, which I have every reason to believe, will be realized the ~~first~~ six months, or within the year of 1840, in order that you may know what amount may be calculated upon to aid the State in liquidating her present debts.

Should the written contract between the Morris canal and banking company, and myself be carried into effect, we shall have certificates of deposit and post notes to the amount of \$600,000 payable in the year 1840 and 1841, which will sell at a fair price in the west for remittances,, and can be made available at least six months before they are due.

I am gentlemen,

Very respectfully,

Your obedient servant,

MILTON STAPP,

Fund Commissioner.

COMMUNICATION

FROM

**THE BOARD OF TRUSTEES OF HANOVER
COLLEGE.**

JANUARY 6, 1840.

[100 copies ordered to be printed.]

*To the Honorable, the General Assembly
of the State of Indiana.*

The Trustees of Hanover College, in compliance with a requisition of their charter respectfully present their annual report of the state of the institution.

The Faculty is composed of the following gentlemen, viz:

Rev. E. D. Mac Master, A. M. *President, and Professor of
Mental and Moral Philosophy.*

Rev. J. Finley Crowe, D. D., *Vice President, and
Professor of Logic, Rhetoric, and Political Economy.*

Hon. Miles C. Eggleston, *Professor of Law.*

Thomas W. Hynes, A. M., *Professor of Mathematics and
Natural Science.*

Samuel Galloway, A. M., *Professor of Languages.*

Rev. James A. M'Kee, A. B., *Principal of the Preparatory Department.*

Asahel Munson, A. B., *Tutor.*

The annual catalogue exhibits the following summary of Students during the year, viz:

In Law,	-	-	-	-	14
Under graduates pursuing the full College course,					35
University Students pursuing parts of the College course,					16
Preparatory Department,					51
Total,	-	-	-	-	116

At the last annual commencement, the degree of Bachelor of Arts was conferred on six young gentlemen, who had completed the collegiate course.

The course of studies pursued is similar to that in other colleges in the United States. Besides instruction according to this course, in Natural Theology, the Analogy of Natural and Revealed Religion to the constitution and course of nature, the Evidences of Christianity and Moral Philosophy, the Students are required to attend on the reading of the Scriptures and prayer in the Chapel daily, and on public worship on the Sabbath. The President and Professors also give instruction on Sabbath evenings to the several classes in a portion of the Holy Scriptures; and in their daily intercourse inculcate the principles and duties of Christianity.

It is the aim of the Faculty to govern the institution, not by minute regulations enforced by a system of espionage and coercion, which provoke transgression and injure character; but by bringing the students under the influence of moral and religious considerations, and thus throwing them, so far as practicable, on their own responsibilities, and inducing them to govern themselves. The Trustees are happy to say, that these means have hitherto been successful in securing order and good conduct.

The faculty, it is believed, devote themselves with assiduity to the improvement of the young men committed to their instruction; and

the examinations at the close of each session evince, on the part of the students, a gratifying efficiency in their studies. The location of the institution on the Ohio river, combining, as it does, ease of access, retirement, healthfulness, cheapness of living, and exemption from temptations incident to more populous places, gives to it great advantages as a place of education. By a public vote the retail of ardent spirits is excluded from the township. The moral and religious character of the surrounding community and the watchful care of the Faculty afford securities for the safety and welfare of the students.

The Trustees have great satisfaction in reporting, that the number of students is gradually increasing, the standard of scholarship advancing, and the institution giving promise of fulfilling the expectations of its friends, and accomplishing the objects for which it has been established, in efficiently promoting sound and christian education.

All which is respectfully submitted.

JOHN MATTHEWS, *Pres't. B'd. Tr'ts.*

Hanover, Dec. 26, 1839.

REPORT**OF THE****BOARD OF INTERNAL IMPROVEMENTS.**

JANUARY 6, 1840.**[100 copies ordered to be printed.]**

OFFICE OF THE BOARD OF INTERNAL IMPROVEMENTS.***Indianapolis, Jan. 4, 1840.*****THE HON. JAMES G. READ,—**

Through the chair, permit me to lay before the House of Representatives, the following report, in answer to a call made upon the Board of the 13th ult.

Very respectfully,**N. NOBLE Pres't.**

OFFICE OF BOARD OF INTERNAL IMP'T.
Jan. 4, 1840.

To the Honorable, the House of Representatives.

The Board of Internal Improvement respectfully submit the following report in answer to a resolution of the House of the 19th instant, in relation to the northern termination of the Central Canal.

The joint resolution of the last General Assembly, directing a re-survey, and a final decision of the question, contained a proviso that the proposed survey should only be made in case it could be done by the corps of engineers superintending the contracts between Andersontown and Indianapolis. But as this corps could not be spared from their regular duties, on the line for a sufficient time to make the necessary surveys, the Board were unable, within the spirit of the law, to settle this important question.

In answering the second branch of the resolution which requests "a detailed statement of the difference in the construction, with the advantage of water power, on the several routes proposed as practicable," the Board, as no additional surveys have been made, can only present a synopsis of the most prominent facts on each route, as they may be obtained from the report of Mr. Gooding who made the original survey and estimate in 1835.

By that report it appears that, from a point near Marion, two routes were surveyed and found practicable; the one, called the Missisniewa route, pursuing the immediate valley of that stream, and intersecting the Wabash and Erie canal near Peru: the other, the Treaty creek route, intersecting at the town of Wabash.

In respect to the comparative advantages of these routes, we learn, from the same report, that the Missisniewa route is cheaper in its construction than the other by the sum of \$94 428. Mr. Gooding further shews that, on the Missisniewa route, running as it does in the immediate valley of that river, and receiving feeders very frequently, by means of the numerous dams built to form slack water navigation, a very large amount of water power would be created. This power is estimated to be sufficient on the whole line from Marion to Peru to propel 152 run of mill-stones in the driest seasons. On the Treaty cr. route a considerable power will also be created, but as the locks are all situated remotely from the feeder, the power will not be so great or so permanent. It is supposed that the power on this route may be estimated at 36 run of stones, showing a difference in the amount of water power equal to 116 run of stones in favor of the Missisniewa route; which, if all improved at a rent of \$125 per annum would yield an annual income of \$14 500, which is equal to the interests at 6 per cent. on \$241 667. It is further stated in Mr. Gooding's report, that the Missisniewa, where the feeder is taken out, will not be adequate in dry seasons to supply the canal to the Wabash and Erie canal on the Treaty cr. route. He thinks this deficiency may continue for the

space of 120 days in lowest water and will amount in the aggregate to 95 040 000 cubic feet, which he proposes to make up by enlarging the reservoir on the summit level near Andersontown. The proposed enlargement may add a few thousand dollars to the cost of the reservoir, but how much it is impossible now to estimate, with accuracy.

The Treaty cr. route is represented to be eleven miles and twelve chains shorter than the Missisnawa route, measuring only to the junction with the Wabash and Erie canal. But the last named route intersects fifteen miles farther west than the other, which being added, will give 26 miles 1 chain as the additional distance to be travelled on the Missisnawa route by each boat going towards Lake Erie.

It may be proper to remark in conclusion that the Board have considered some further and more minute surveys of these routes necessary, previous to a final designation of the route. It has been urged, by some, that a favorable route might be found intersecting still further east. Although the original report was not favorable to this plan, yet the Board, if left to their discretion, would probably direct some further examination, in that direction, in order that the whole question might be fully understood.

Respectfully submitted
N. NOBLE, Pres't.

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REPORT

OF THE

CHIEF ENGINEER,

IN ANSWER TO A RESOLUTION OF THE HOUSE

OF THE 18TH ULT.

JANUARY 7, 1840.

**Referred to committee on canals and internal improvements,
and 500 copies ordered to be printed.**

*Office of Chief Engineer,
Indianapolis, Jan. 2, 1840.*

To the Hon. House of Representatives,

In obedience to a resolution adopted by the House of Representatives, on the 18th ult. requesting of the undersigned "his opinion as to the propriety of erecting wooden locks at the grand rapids of the Wa-

bash, together with such information as he may possess as to the result of such change upon the cost and time required for the completion of the work," the following report is submitted.

The undersigned would respectfully suggest that a definite opinion upon a practical question of this kind could only be given, with propriety, after a personal examination of the situation of the work; the character and situation of the quarries from which the stone is to be procured; the durability of the stone; and the length of time required to bring them to the work. As the undersigned has had no charge of the improvement at the grand rapids, and has not seen any of the quarries relied upon, he trusts he shall have the indulgence of the House, in confining his remarks to the statement of some general principles connected with the subject.

Of the several kinds of material which have been used for the construction of locks on canals and rivers, cut stone laid in hydraulic cement, when the stone is of an unquestioned character as to durability, is decidedly preferred; and considering the expense and hindrance growing out of future repairs, will be found more economical, if the stone can be delivered without unreasonable cost.

Locks are sometimes constructed of wood; the walls being formed of a timber crib strongly connected together by cross ties and filled with rubble stone to give it weight; and the inside of the cribs, forming the chamber of the lock, made water tight, by a lining of 2 inch plank. Such a structure will answer for a time, all the purposes of the stone lock, but will not last more than 10 years.

Where stone of a durable quality cannot be obtained at reasonable expense, or when the time required to procure them would be so great as to delay for a length of time, the opening of an important navigation, wooden locks may with propriety be resorted to as a temporary expedient, to be renewed with stone when the first lock shall have become decayed; or in some cases the wooden lock may be adopted as the permanent arrangement, the walls to be renewed once in ten years.—Locks of this kind have been constructed on several of the canals of this and other States.

In applying these general principles to the case under consideration, I would remark that I do not consider the probable saving of expense a sufficient inducement to warrant the adoption of a perishable structure for this most important improvement. If the wooden lock be adopted, it should be on the ground that the commerce of the Wabash valley might by this means enjoy the advantages of the improved navigation at a much earlier period than if the stone lock be adhered to. So important and extensive is the trade of this valley, that the loss to the country on one year's business, resulting from the obstacles at the rapids, would no doubt equal the cost of renewing the lock.—The propriety of a change of plan on the ground here stated would evidently depend upon the difference of time required

for the completion of the *whole improvement*, upon the two plans, which I have no means at present of estimating with much certainty. Even if the lock could be finished much sooner by the use of timber, which no doubt would be the fact, yet it may be that the dam, which is equally essential to the navigation, and which would be the same on either plan, could not be completed with equal dispatch. A minute knowledge of the condition of the dam, and the prospect of its prompt completion, of which I am not possessed, is therefore, necessary to a decision of the question as to the lock.

At the meeting of the Board of Internal Improvement in June last, the views of the undersigned in relation to this work were requested. From the information reported by Mr. Burr, the engineer in charge, up to that time, it appeared that very little progress, had been made in the delivery of stone, although 18 months had expired since the contract was let, and a considerable amount of money expended, that the utmost diligence had been used in the search for stone; that all the quarries in the vicinity, and likewise those on White river for over one hundred miles from its mouth, had been tested and found unsuitable for the work. With these facts before me, and without any more favorable prospect for procuring good stone from any other quarter, I expressed to the President of the Board the belief, that, in order to avoid further delay, which was so prejudicial to the interest of the country, it would be better at once to construct a wooden lock.

From the report of the Engineer recently made to the Board, which is now before me, I learn that a quarry of durable limestone has been discovered on the bank of the Ohio river, not very far above the mouth of the Wabash, from which, in the opinion of Mr. Burr, the lock may be built without greatly exceeding in cost the estimate heretofore made. If this anticipation be realized, and it should appear that a sufficient quantity of stone can be boated to the rapids during the navigable season, and the lock completed without unreasonable delay; then, under this new state of the question, a change of the original design may not be advisable. I would therefore respectfully suggest that discretionary power to adopt either mode of building, be reposed in the officers in charge of the work, whose duty it should be immediately to investigate the whole subject, with a view of ascertaining with certainty the durability of the Ohio stone, the length of time it will require to deliver the requisite quantity, &c. &c. And if, from such investigation, it should appear probable that the cut stone lock may be built by the time of, or very soon after the completion of the dam, then I would advise an adherence to this plan. But if there should be good reason to expect that the whole work might be completed one year earlier by building a timber lock I should then decidedly advise the change, believing that the advantages to the country in one season, from a certain navigation of the rapids, would jus-

tify a resort to the less durable structure. When the wooden lock shall have become decayed, it might be replaced with cut stone, during the low water season when navigation would be suspended, the stone to be delivered and prepared some time previous; and with this view the base of the wooden lock, up to low water mark, should be so constructed that it need not be renewed, but would form a foundation for the stone walls.

In passing through Vincennes in August last, I had an opportunity of examining the sand stone procured in that vicinity. Although this stone will answer for ordinary building purposes, and may also be used for the banking of the lock and abutments at the rapids, yet I could not sanction its use in the face of the lock walls. In such a situation, exposed constantly to wetting and freezing, and at the same time under a very heavy pressure, I doubt whether the sand stone of that region would be much more durable than oak timber.

In the location and superintendence of the canals, I have had occasion to examine closely, the sand stone formation in the south west part of the State, and excepting a few points in Greene, Clay and Fountain counties, have discovered no quarries which I supposed would be durable as the face stone of lock walls—unless stone of unquestionable durability can be obtained for the face work, it will be better to build the lock of timber, and thus save the expense of procuring and dressing the stone.

Respectfully submitted,

J. L. WILLIAMS.

REPORT

OF THE

PRESIDENT STATE BANK.

JANUARY 9, 1840.

[500 copies ordered to be printed, and referred to investigating committee.]

Hon. James G. Read,

Speaker of the House of Representatives:

Herewith is submitted, a report from President State Bank marked No. 1, a copy of an agreement with Morris canal and banking company of April 24, marked No. 2, and a copy of an agreement with same marked No. 3, to be laid before the House of Representatives.

I have the honor to be, &c.

S. MERRILL.

State Bank, Jan. 8, 1840.

No. 1.

To the General Assembly of the State of Indiana.

The undersigned, on the 24th April last, made an agreement on behalf of the State, for the sale of a million of dollars of State bonds, to the Morris canal and banking company, to be paid for in ten monthly instalments, commencing the first of September.

Early in August, notice was given that these instalments could not be paid according to contract, and an attempt was then made to procure the return of a part of the bonds, and secure payment for the balance, by allowing time, but this arrangement was not carried into effect. Under these circumstances another visit to New York was made, and collateral security has been obtained, which it is believed will insure the payment of the whole amount.

It is a subject of much regret and mortification to the undersigned, that his efforts to organize the new branches, increase the State stock in the bank, and thereby lessen the amount, which must otherwise be raised by taxation, have not been attended with all the success which the public had anticipated, and if there shall be any ultimate loss to the State, he will ask no other favor than a just appreciation of his motives. For this purpose alone the facts connected with the negotiation are respectfully submitted.

Just before the passage of the bill for the increase of bank capital, an amendment was made, authorizing either the fund commissioners or the *President of the State Bank* to negotiate the loan for that purpose. As this amendment was made without the knowledge or consent of the undersigned, and as it is evidently proper that the loans on behalf of the State, should be made systematically by one set of men having the benefits of experience to guide them, he had never expected to be called on, nor turned his attention particularly to the subject. In March and April however, by the resignation of one of the fund commissioners, and the recent appointment of the other, there was no board to act, and neither of them was in New York, when a proposition was made on the part of the Morris canal and banking company, to purchase the bonds authorized to be sold by the last legislature for the increase of bank stock.

This proposition was forwarded through one of the late fund commissioners, and it reached Indianapolis in the interval of three days, which the undersigned expected to spend there, between his visit to the southern and one to the northern branches. By the terms of the article, it was only to take effect and be in force if it should be executed and returned to New York within twenty days from the date of its signature *there*. Two gentlemen then in Indianapolis, who had been fund commissioners were consulted, and the known opinion of all who had been in that office, would, on ordinary occasions, have justified an assent to the agreement without further inquiry, yet from the ominous signs of the times, the undersigned deemed it best to use all the means in his power to enable him to judge correctly as to the performance of the duty imposed on him. For this purpose he visited

New York and made such inquiries and examinations as satisfied him of the willingness and ability of the Morris canal and banking company to comply with their engagement, and an article, of which a copy is herewith submitted was agreed to.

That institution had previously purchased from the State more than five millions of dollars of its bonds on credit; it had promptly complied with its contracts, its directors were men of unquestioned reputation and wealth, its canal and real property had cost more than \$3,000,000, and though the canal has heretofore yielded but a small income, it promised ultimately to be productive; and the means which it could then command, were such guarantees for the performance of its contracts, that though collateral security was asked, yet when it was positively declined, the demand was waived. As all the bonds disposed of by this State for some years past, and most of those by other States have been sold on credit, as few or no sales could have been made in any other way, and as these matters were well known to the last legislature, the mere fact of a *credit sale*, cannot be deemed just cause of complaint. From the time of making the agreement in April, until the first instalment was to have been paid in September, such was the rapid depreciation of all stocks that no actual sales could be made except at the most ruinous sacrifices.

The consequence has been that large amounts of stocks have been pledged for small sums of money until the bonds cannot be returned, nor immediate payment be made for them. It has been satisfactorily ascertained that the Morris canal and banking company, though they sustained a heavy loss on a portion of the Indiana bonds, have not yet made any ruinous sacrifice on them, nor are they now in danger of any such.

The return of such of the State bonds as could not be paid for at an early day, has been urged with much earnestness, but without success, though strong assurances are given that probably half the whole amount may be returned within a year.

A longer time has been allowed for the payments than would have been if they could have been sufficiently secured to be made at an earlier day. Something was yielded in this respect to obtain about \$300,000, on the improvement loan during the present year. The \$980,000 due the State for the bank loan has been agreed to be secured and paid as follows: \$120,000 on the first of October, 1840; \$150,000 on the first of October, 1841; \$200,000 on the first of October, 1842; \$250,000 on the first of October, 1843, and \$260,000 on the first of October, 1844; but five thousand dollars of the first instalment was paid to the undersigned at Columbus Ohio on the third of January, and \$15,000 more will be paid in 60 days from that time. For farther particulars see the copy of the article marked No. 3, herewith submitted. In the mean time the State is indemnified and secured against all liability for interest on the bonds issued for the bank loan until they are paid for. Of the collateral securities obtained, the lands alone will probably at no distant day pay the whole

debt. They amount in all to 258,888 acres, of which 236,666 acres is an undivided part of 1,200,000 acres, purchased at one dollar per acre through the agency of the late Col. J. M. White of Florida, and 22,222 acres is a part of 100,000 acres of selected Indian Reserves in Mississippi and Arkansas, which cost one dollar eighty cents per acre. The pier and some seventy lots in Jersey City must at all times be worth more than the cost of the value of the other lots there, the undersigned is not a competent judge, though his estimate of them is not high. A favorable account has been received of the bank stock, except those of one institution. In a former communication the views of the Hon. Samuel L. Southard as to the value of the rail road stock were submitted to the legislature. Further security is also agreed to be given, if that which is now had, should be found to be insufficient.

When the undersigned left New York, the mortgage on the Jersey City property, had not been fully executed. The papers were in the hands of an attorney, and it was in the process of preparation. It was expected to be completed in a few days and handed to General Stapp. The other papers can be seen by such committee as the Legislature may appoint, and it is probable much other information may be communicated, which at this time is not important to be detailed at length.

The result of the whole is that the State has lost nothing, and under any fair calculation for the future, is not in any danger of loss. Its Bonds have from time to time, been sold on a credit, and the period now allowed, is not a long one, when the change of times that has come over the money market, is taken into consideration. Whenever State Stocks are again in demand, there will be no difficulty in raising money, on the securities transferred to the State, under the provisions specified in the article of agreement. Several circumstances concur at this time to depress the money market in the Eastern Cities, and to prevent any loans being had there except to sustain their own business and institutions.

The Free Banking of New York, does not act in harmony with the system previously in operation: the long contested subject of the disposition of the public revenue, still leaves the land markets for business, fluctuating and uncertain, and the influence of the late over-supply of State Stocks, will for some time be severely felt.

The time cannot be distant, it is confidently believed, when the course which business must take for the future, will be so plainly indicated, that it may be conformed to without difficulty or delay.

Respectfully submitted,

S. MERRILL.

Jan. 8, 1840.

No. 2

Memorandum of an agreement made this 24th day of April 1839 between Samuel Merrill, President of the State Bank of Indiana of the first part, and the Morris Canal and Banking Company of New

Jersey of the second part, witnesseth that the party of the first part contracts to sell, and the party of the second part to purchase so much of the Stocks of the State of Indiana as will amount to one million dollars in Bonds of one thousand dollars each at the following rates, and the stock to be either in whole or in part of either of the following descriptions at the option of the party of the second part, viz:

1st. Bonds bearing six per cent. interest per annum, principal payable at the Banking House of the Morris Canal and Banking company, Jersey City, or their agency, New York, and the interest payable semi-annually at the same place, for which the price if taken is to be at par.

2d. Bonds bearing five per cent. interest, payable principal and interest as above for which the price shall be eighty eight per cent.

3d. Sterling bonds four shillings and six pence to the dollar bearing five per cent. interest per annum, principal payable at such House in London, as the Fund Commissioners of Indiana shall designate, and the interest payable semi-annually at the same place, the price of which shall be ninety eight per cent.; and the party of the second part contracts to pay therefor as follows, viz:

One tenth thereof on the first days of each of the months of September, October, November, December, January, February, March and April next, and the same amount on the first days of May and June next thereafter, together with interest thereon at the rate of six per cent. per annum, from the time the Bonds of the State commence paying interest, and payable at the same time as the interest on the State Bonds.

The Bonds are to be delivered as fast as they can be prepared and executed, and if they are not delivered within thirty days after notice is given to one of the Fund Commissioners of the State of Indiana of the kind of Bonds preferred, the payments therefor shall be postponed as much longer as the delivery of the Bonds shall be postponed after the time allowed for paying them. The party of the second part, will, if required at any time after the delivery of the State Bonds above named, issue Post Notes, or accept drafts to the amount and payable at the several times at which the payments for the Stock becomes due.

It is understood that no part of the remaining sum of \$1,500,000 authorized to be loaned by the State of Indiana for Bank Capital in 1839 shall be exposed to sale before the first of September next, where it can come in competition with any of the Indiana Stocks owned by the said party of the second part, and it is further understood that from the first of September to the first of February next, the said party of the second part, shall have a preference of one per cent. over any other person proposing to purchase the remainder of said stock.

SAMUEL MERRILL, Pres't.

E. R. BIDDLE, President.

Attest:

ISAAC GIBSON, Cashier.

It is further understood that the interest to be paid by the party of the second part shall not exceed the accruing interest on the Bonds.

S. MERRILL.

No. 3.

Article of Agreement made this 10th day of December 1839, between the Morris Canal and Banking Company of the first part, and Samuel Merrill President of the State Bank of Indiana and his successors in office, for the use of the said State of the second part. *Witnesseth* that whereas the said party of the second part on the 24th of April, 1839, sold to the said party of the first part one million dollars in five per cent. sterling bonds executed in behalf of said State by the Fund Commissioners thereof, and whereas the said party of the first part has failed to pay the sums agreed to be paid for said bonds, and whereas under the circumstances, it is believed to be for the interest of both parties that further time should be given for making said payments on their being satisfactorily secured.

Therefore it is agreed between said parties as follows, to wit:

1st. That said Morris Canal and Banking Company, shall immediately, by properly executed and certified powers of attorney, assign and transfer to said Merrill president as aforesaid, and his successors in office for the use of said State, all the following stocks, to wit: Six hundred and fifty shares of the stock in the Planter's and Merchant's bank of Mobile, Alabama, the par price of which is \$65,000; seventy-four shares in the Bank of Mobile, par price \$7,400; six hundred and twenty-five shares in the City bank of Buffalo, par price \$62,500; fifty shares in the Manchester bank Miss., par price \$5,000; twelve thousand shares in the Little Schuylkill and Susquehanna rail road company, par price \$600,000; also, one hundred and eighty-one thousand dollars of stock principal and interest in the Apalachicola Land company, and forty thousand dollars of stock in the Mississippi and Arkansas Land company.

2d. The said party of the first part will immediately execute a mortgage on the following property which it owns in Jersey City, to wit:

The pier and wharf at the outlet of the canal, the actual value of which is over \$110,000, also, one undivided third of two hundred and ten lots owned in company with Gregory and Henderson, and two hundred and fifty lots bought of Comstock and Andrews, and others, all in Jersey City, the actual cost of which was one hundred and forty thousand dollars, which mortgage is to be made to said Merrill president as aforesaid clear of all incumbrances, and to his successors in office for the use of said State, and to secure the payment hereinafter specified, but said mortgage is not to be foreclosed until after the last payment becomes due.

3d. The said party of the first part shall give the said party of the second part a four months draft for twenty thousand dollars on the Columbus Insurance company, Ohio.

4th. On the transfer of said stocks, and the execution and delivery of said mortgage as aforesaid the sum of nine hundred and eighty thousand dollars, the consideration money for the said State bonds, instead of

being payable in monthly instalments, as was at first agreed, shall be paid hereafter as follows, to wit: One hundred and twenty thousand dollars on the first of October, 1840, from which the said \$20,000 draft when paid shall be deducted. One hundred and fifty thousand dollars on the first of October, 1841. Two hundred thousand dollars on the first of October, 1842. Two hundred and fifty thousand dollars on the first of October, 1843, and two hundred and sixty thousand dollars on the first of October, 1844.

5th. Whenever the said party of the second part, can sell any of said stocks, hereby assigned for his indemnity, at a loss not exceeding ten per cent. he may sell and dispose of the same on account of the payments then first become due.

6th. If the said party of the first part shall fail or neglect to pay any of said instalments, or any part thereof, as they respectively become due, then the said party of the second part may sell such part of said stocks, as will pay the same, for the best price they will bring, such sale to be in New York or Philadelphia, on a credit of ninety days with approved security, and after thirty days notice, but the said party of the first part may direct the kinds of said stock, which shall first be offered for sale, but if said stocks cannot be sold without a greater sacrifice than twelve and a half per cent., then by giving further security to the extent of the value of the sum neglected to be paid, the payment of the same shall be postponed for the term of one year beyond the time herein specified, and if at that time the said stocks cannot be sold without a greater sacrifice than twenty-five per cent., than by giving further security as aforesaid, the payment of said instalment or instalments, shall be postponed for the further period of one year.

7th. The said party of the first part shall have liberty within one year and a half to return any of the said sterling bonds, or other sterling bonds of said State of equal value, which shall be credited equally on said instalments.

8th. Whenever money can be raised on the bonds of the said party, payable in five years or longer to be endorsed by the said party of the second part, the same may be demanded in such sums as shall be convenient, and expressing the said guarantee, and if the said State of Indiana shall authorise the same, then the said parties may proceed to raise the whole balance due for which the guarantee herein shall continue in the hands of said party of the second part, until the whole is finally paid.

9th. Whenever, by part payment, the liability of the party of the first part to the party of the second part shall be diminished, a part of the securities herein specified shall be given up to the full extent of the Instalments paid, and if at any time it shall be ascertained that the security herein has become insufficient, such further security may be asked and shall be given as shall be satisfactory and just.

10th. The said party of the first part shall pay all the interest that may accrue on said sterling bonds, or any part thereof on which payment shall not have been made, but whenever any of said bonds are

fully paid for, then the State of Indiana shall pay the interest from the time of such payment.

11th. Whenever the said party of the first part, can sell any of said lots in Jersey City, either for cash, or for securities as valuable as the lots themselves, then said party of the second part, will release the lien of said mortgage, on receiving the consideration for which such lots may have been in good faith sold either on part payment, or substituted security, as the case may be.

12th. The expenses of executing the securities, and of council to examine the same if necessary, shall be paid by said Morris Canal and Banking Company.

E. R. BIDDLE,

President of the Morris Canal and Banking Company.

SAMUEL MERRILL,

President of the State Bank of Indiana.

WM. A. ELLERY, }
JAMES KAY. } Witness.

[H. of R.]

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Amount clear

DECEMBER 2, 1839.

B. HENSLEY,
A. H. PATTERSON

ard'nt of State Prison.

INDIANA, TO-WIT

INDIANA, TO WIT:
I William J. Brown secretary of State, for the State aforesaid, do hereby certify, that the foregoing is a true copy of the original report, now on file in my office.

IN TESTIMONY, WHEREOF, I have hereunto set my hand, and affixed the great seal of State at Indianapolis, this first day of January, A. D. 1840.

WM. J. BROWN, Sec'y of State.

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REPORT

OF THE

CHIEF ENGINEER,

IN ANSWER TO A RESOLUTION OF THE HOUSE.

JANUARY 13, 1840.

[Laid on the table and 100 copies ordered to be printed.]

Indianapolis, 10th January, 1840.

Hon. James G. Read,

Speaker of the House of Representatives,

SIR: Please lay before the House, over which you preside, the following report, in answer to a resolution of that body.

Very respectfully,

Your obedient servant,

J. L. WILLIAMS.

*Office of Chief Engineer,
Indianapolis, 10th, Jan., 1840,*

To the Hon. House of Representatives,

The undersigned has received a resolution of the House adopted on the 23d ult., requesting him to report to the House, "what will be the probable loss sustained by contractors on the several public works in case they are compelled to abandon their contracts; also the amount expended on the several public works that will be entirely lost to the State, without a further prosecution of the same;" and in answer thereto, would beg leave to remark that he has no data in his possession which would justify him in presenting an estimate of "the probable loss sustained by contractors." Such an estimate could only be made, with any degree of accuracy, after an inspection on the ground of the whole contract, the shantees, tools, and other preparations made for the prosecution of the job. An estimate made up without such investigation might be the means of misleading both the Legislature and the contractors.

In reply to the second branch of the resolution, the following exhibit is submitted:

Estimate of the work performed up to 1st November last, on portions of works, which, if nothing more be done, will be wholly useless.

Erie and Michigan canal,	-	-	-	-	-	\$65,476
Wabash and Erie canal, Fort Wayne to State line,	-	-	-	-	-	270,779
do do Georgetown to Wildcat dam,	-	-	-	-	-	545,650
do do work at Covington,	-	-	-	-	-	34,210
Cross cut canal,	-	-	-	-	-	336,825
Central canal from Indianapolis to Martinsville,	-	-	-	-	-	294,312
do near Noblesville and Andersontown,	-	-	-	-	-	241,530
do from Pigeon feeder to forks of White river,	-	-	-	-	-	249,122
White Water canal from Brookville to National road,	-	-	-	-	-	323,040
Steam-boat lock and canal &c. at Delphi,	-	-	-	-	-	18,589
Wabash rapids,	-	-	-	-	-	10,500
Rail Road from Madison to Depot,	-	-	-	-	-	} 223,772
do from Six mile creek to Columbus,	-	-	-	-	-	
Road from Jeffersonville to Salem,	-	-	-	-	-	252,099
do Greencastle to Lafayette,	-	-	-	-	-	112,088
do Paoli to Mt. Pleasant,	-	-	-	-	-	60,476
						<hr/> \$3,038,468

Estimate of work performed on other portions of the improvements, which will be partially useful to the country, by furnishing water-power.

Wabash and Erie canal from Wildcat dam to Lafayette, -	88,030
Central canal from Broad ripple to Indianapolis, - -	171,032
do Pigeon feeder to Evansville, - -	217,260
	<hr/>
	\$476,322

In addition to the foregoing sums there is the value of work performed since 1st Nov., and also the cost of superintendence, damages, &c. on the several lines named, which I have not the means of stating accurately. These two items may amount to two or three hundred thousand dollars.

REPORT

FO THE

BOARD OF INTERNAL IMPROVEMENT.

JANUARY 15, 1840.

[Referred to the committee on canals and internal improvements, and
100 copies ordered to be printed.]

OFFICE OF THE STATE BOARD, }
Indianapolis, 14th January, 1840. }

Hon. James G. Read,

Speaker of the House of Representatives:

By a resolution of the House of Representatives, the Board has been directed to report the amount of money expended on the White Water canal, between Brookville and the Ohio river, since the 3rd December 1838, for repairs, tow bridges, basins, tumblers, canal boats, incidental and contingent expenses, amount paid for damages, surveys, attorneys fees, and all expenses in completing said canal. And also how much has been paid, how paid, amount due and unpaid, how much will be required to complete the same, and the amount of inter-

est accruing upon the sum expended. To answer these inquiries it was necessary to send for information to the line, and having obtained it as far as could be without withdrawing the engineer from the new duties to be performed preparatory for the settlement with contractors at the appointed time next week, the Board has the honor of submitting the following reply. That there has been expended on the White Water canal, below Brookville from 3rd December, 1838, to the present time as near as the State of accounts will permit an approximate to the amount the sum of \$33,422 00

To-wit: under the head of construction	\$20,329 00
On bridges - - - -	5,380 00
In repairing breaches, building canal boats, strengthening the dams and canal banks	6,070 00
On account of damages, including attorneys fee	1,456 00
Part of engineer salary - - - -	187 00

Making the sum of \$33,422 00

The first item of \$20,329 00 under the head of construction having been paid for since the 3rd December 1838, it is of course embraced in the call for all the moneys "expended since that date," it is proper however to state that a considerable portion of the work was performed prior to the 3rd December 1838, but too late in the season to be received under our established rules that fall, and which was estimated and received by the engineer in the spring, after the banks were settled, according to practice.

At the time of the organization of the new board, March last, there were outstanding contracts entered into by Gen. Long the commissioner, for the bridges over the pools of the dams at Brookville and Harrison, and for races and cut-stone tumbles, to conduct the water from the basin at the upper end of Lawrenceburgh, to the river. Towards these jobs, about \$6,750 00 have been paid since the suspension, which sum also constitutes a part of the \$20,329 00.

As the resolution calling for this report directs the board to state all the moneys expended in completing the canal "from Brookville to the Ohio river," it may be well to apprise the House, that the canal was commenced on the second bottom, at the upper end of Lawrenceburgh, a full quarter of a mile from the landing.

In compliance with the positive injunction of the 4th section of the internal improvement act of 1836, which expressly declares that the canal shall be constructed and completed "to the Ohio river at Lawrenceburgh," and to exempt the opening trade from the expense and delay of wagoning to and from the river, as stated in the report of the board, the necessary steps were taken to connect the trade of the canal with the navigation of the river. The additional new work necessary to accomplish the object is nearly completed, has been paid for as far as performed, and has cost for the State's part between 6 and 7,000 dollars. That sum is also embraced in the above sum of \$20,329 00. Without arresting the examinations, making by the engineer to prepare the line for the settlement with contractors, the board

cannot precisely state what is now due and unpaid, nor the sum required to complete the line. The ascertained balanced balances due, of any amount may be stated as follows:

On the Harrison bridge	-	-	-	-	-	\$1,856
On the Harrison dam for per centage and work done before						
December 1838	-	-	-	-	-	6,803
Bridge at Brookville	-	-	-	-	-	4,455
Superintendent and laborers hire about				-	-	2,000

The leading items of work yet to be done, may be stated as follows:

Cut-stone masonry, tumbles, &c., Lawrenceburgh and street						
bridges about	-	-	,	-	-	\$4,400
Bridge at Harrison	-	-	-	-	-	4,000

In answer to that branch of the resolution requiring the board to say "how the money has been paid," I have to state that upon the first failure to procure the usual supply of funds to pay the estimates of the contractors, their situation was represented to the Lawrenceburgh branch with a request that the bank would advance the money due to them from the State, which was done, amounting to 75 or 80,000 dollars, from which the payments due below Brookville was made in the usual manner. The contractors upon the bridge, and the jobs exposed to the floods of the river, being without means to proceed and secure what had been previously expended, an appeal was again made to that branch which resulted in an order unanimously adopted by the board, directing the cashier to pay the drafts of the acting commissioner N. Noble, to the amount of \$20,000, upon that order payments were made to contractors exceeding \$6,000, which sum was returned to the branch from moneys soon after set apart by the fund commissioners, to save the public works at exposed and unfinished points. The interest accruing upon the sum total \$653,000 as stated by the chief engineer, in the whole found in his report will be \$32,650.

Respectfully,

N. NOBLE, Prest.

REPORT

OF THE

BOARD OF INTERNAL IMPROVEMENT.

JANUARY 20, 1840.

[100 copies ordered to be printed, and referred to the committee on
canals and internal improvements.]

OFFICE OF THE BOARD OF INTERNAL IMPROVEMENT,
Indianapolis, January 15, 1840. }

To the Hon. Speaker of the House of Representatives:

SIR: The State Board of Internal Improvement has been requested by a resolution of the House of Representatives to report the amount of money *paid* upon the rail road between the top of the river hill

and the town of Vernon, since the 3rd December 1838, for repairs; for completing the road that distance; for iron, cars, locomotives, and every discription of expense within the time and distance named; also how the money has been paid, how much is yet due and unpaid, with the amount of interest paid or to be paid upon the amount expended, embracing every discription of expense to the present time.

In behalf of the Board, I have the pleasure to answer the foregoing, by reporting to the House that the accounts of the late commissioner, John Woodburn, Esq., have been examined; and as exhibited to the present Board they show that payments were made by him, within the distance mentioned, from the 3rd December 1838 to the 1st March 1839, to the amount of

\$45,800

And that the payments made by the present commissioner within the distance specified to the present time amount to

41,000

Making in all

\$86,800

The items comprising this aggregate of 86,800 dollars are for grading, bridging, iron, castings for laying rails, sills, cross timbers, laying track, locomotives, freight on iron, cars, extra wheels, water stations, pumps, engine house and other buildings at depot, repairs, pivots, salaries of engineers, office rent, printing, paper, wood, and a small amount for damages. It is due, however, by the way of explanation to state, that although, in the language of the resolution, it appears that the moneys were *paid* since the 3rd December 1838, yet nearly the entire amount paid out by Mr. Woodburn, and a considerable portion of that disbursed by the present commissioner, were for labor and materials procured prior to the 3rd December 1838. On the rail road, as is the practice on other lines, work done late in the fall is not taken off the hands of the contractors; and from this cause much of that which was finished in the fall and winter of 1838, was not paid for and reported until he settled his fourth quarterly account of that year, leaving a portion of the jobs, with the back per centage, to be adjusted, and brought into the accounts of the present commissioner.

Believing it to have been the object of the House, (although it is not so stated in the resolution,) to ascertain what had been paid for labor and materials, procured *since* the 3rd December, an attempt was made to present such a view in this report, in addition to the one given; but the late commissioner being now in New York, the former engineer being turned out of office, and there being no necessary entries showing the amount of work performed in each month, on the books of the engineer or commissioner, no safe estimate can be made, distinguishing the work and materials procured subsequent to the 3rd December 1838.

The debts due and unpaid, within the distance and to the present time, may be estimated at about \$4,600.

In answer to that branch of the resolution requesting the Board to report *how* the money was paid, I will inform the House that the course pointed out by law was pursued by giving drafts on the fund commissioners, upon which the Madison Branch advanced the money.

The annual interest accruing upon the cost of the road between the points mentioned may be estimated at about \$42,600.

Respectfully,

N. NOBLE, Pres't. Board.



COMMUNICATION

FROM

PRESIDENT OF THE
STATE BANK.

JANUARY 29, 1840.

Referred to committee on judiciary, 100 copies ordered to be printed.

To the House of Representatives:

In answer to the resolution of the 18th inst., requiring „the President of the State bank” to report whether a failure, on the part of the Morris Canal and Banking Company, to comply with article 10th of the “agreement between said Company and said President will “operate as a forfeiture of any or all the securities, which that Company has given said President, and if not what security” there is “that “they they will perfect the guarantee contained in said article,” the undersigned respectfully begs leave to report, that his pursuits, for many yeas past, have not been such as to give his opinions much weight as to the *construction* and *legal effect* of the words used in the agreement referred to. He submits, however with great diffidence,

that the agreement does not authorize any *forfeiture* of the collateral securities transferred to the State under its provisions. Those securities may be sold, in the mode pointed out, in the 6th clause of the agreement, or they may be disposed of under the order of a Court of Chancery to indemnify the State for the non-payment of the instalments or the interest mentioned in the 10th clause. The implication in the 9th clause, is so strong, as to the whole liability of the Morris Canal and Banking Company being covered by the collateral security, that it appears to the undersigned, that the *interest* in question guaranteed to the State, in the same manner as the instalments themselves.

When it was understood that the money due to the State by the Morris canal and banking company could not be paid according to contract, the first object was, to obtain security against loss. This it is believed has been done, and though great offers were made to obtain still better security, yet this was resisted first because it was alleged the security already given was ample, and 2nd, because it was important to the Company to retain in its hands, the means to raise money temporarily in its future business.

Since the communication of the undersigned to the House, on the 8th inst., he has received a letter from the President of the Morris Canal and Banking Company, proposing to transfer the further sum of \$90,000, in New Orleans Bank stock, in the hope that with this or the Mobile Bank stocks, a portion of the instalments due the State may be raised at an earlier day than had been contemplated. If any thing can be done in this matter, it will not be neglected,

I have the honor to be &c.,

S. MERRILL.

State Bank, Jan. 20, 1840.

REPORT

OF THE

COMMITTEE OF WAYS AND MEANS.

FEBRUARY 11, 1840.

1000 copies ordered to be printed.

The committee on ways and means, whose duty it is made by law, to examine the condition of the officers of the Auditor and Treasurer of State, have performed that duty, and have directed me to make the following

REPORT:

That the committee have examined the books, vouchers, receipts, and all papers connected with said offices, and the money on hand, and find the financial concerns in these offices correct. The committee are of opinion that the duties required by law, of both Auditor

and Treasurer, have been faithfully performed. The books, papers, and every thing connected with each of the offices, are in neat and good order.

The tables and abstracts here furnished, will give a detailed view of the condition of the finances of the State.

Abstract No. 1. Shows a statement of the assessments, collections, and payments into the Treasury for the year 1839, by which it will be seen that the nett amount of revenue for that year was \$323,204 25 and the amount paid into the Treasury at the close of the year was \$295,286 52.

Statement No. 2. Shows the receipts and expenditures for the year 1839, by which it will be seen that the balance remaining in the Treasury on the 1st January 1840 was \$315,371 49.

Statement No. 3. Exhibits balances due the State from the collectors of the several counties for past years.

Statement No. 4. Shows the means of the Treasury and estimated demands upon the same for the year 1840.

Statement No. 5. Exhibits the probable receipts and expenditures applicable to the public service for the year 1841, based upon the revenue bill reported by the committee.

Statement No. 6. Being an exhibit of the amount of interest on improvement loans for the year 1850, including the Wabash and Erie canal loans, and the bonds issued to the Lawrenceburgh and Indianapolis rail road company, as also the bonds delivered to the State Bank, for the amount advanced on the 4th instalment of the surplus revenue, and the means applicable to the payment of the same.

Statement No. 7. Being an exhibit of the amount of interest on improvement loans for the year 1841, including the Wabash and Erie canal loans, the bonds issued to the Lawrenceburgh and Indianapolis rail road company, as also the bonds delivered to the State Bank for the amount advanced on the 4th instalment of the surplus revenue, as also the deficit of 1840 as shown in statement No. 6, together with the means recommended by the committee to pay the same.

The committee take pleasure in saying that the collecting officers, with very few exceptions, have promptly paid the revenue due from the several counties; which reflects much credit on them for their energy in the discharge of their respective duties; as also upon the people for their promptness in meeting and paying their taxes in such an unpropitious time as the present for collecting money. This is the best evidence of the devotion of the citizens to the interest of the State, and their determination to sustain her credit unimpaired.

It will be seen by reference to statements No. 5 and 6 that the means provided for the payment of the ordinary expenses of the State for the year 1840 and to pay the interest due in the same year on public debts contracted for internal improvement purposes, are not sufficient for that purpose, and at the close of the year, there will be a probable deficit of \$35,510 42. The probable ordinary expenses of the State government for the year 1841, is estimated to be \$100,000.

The amount required for the same year to pay interest due on debts contracted for internal improvement purposes, will be \$444,390, as will be seen by reference to statement No. 7. By adding the deficit of 1840 to the ordinary expense of the State government for 1841, and the sum as above, necessary to pay the interest on the public debt contracted for internal improvement purposes makes \$579,900. For the payment of this sum there appears to be only \$113,033 available for that purpose, as will be seen in statement No. 7., leaving \$466,867 for the State to provide means to meet.

When arriving at this information the next question with the committee was, what means, within the control of the State could they resort to for that purpose. And after a full and fair investigation of the whole financial affairs of the State, they come to the conclusion that the only available means within the reach of the State, is a direct tax on the people, or to direct the sale of State bonds, and apply the principal to the payment of interest on bonds previously sold. The latter proposition they consider would not be advisable under any circumstances; which leaves but one resort, and that is, revenue collected from the people. Here the committee regret that they are compelled to inform the House, that, if they resort to taxation for the above purpose, the per centage must be increased from that of last year.

The committee are of opinion that it is their duty to lay before the House, all the statements they here present, showing the true situation of the finance of the State, which have been carefully prepared, and may be relied on as correct. They are also of opinion, that they should, in discharge of their duties, prepare and report a bill providing means to meet the above demands against the State. With this view the committee have prepared, and herewith report a bill providing for a levy of one dollar on each taxable poll, and forty cents on each hundred dollars of taxable property. This truly appears to be asking of the citizens of the State, to contribute a large portion of their earnings to support the government. The question now is, will they comply with this request, and thereby sustain the credit of the State, or shall it be announced that the State of Indiana has made contracts, with which she now refuses to comply?

With the view of illustrating the results under the revenue law of 1839, and of that now proposed by the committee, the following statements are submitted:

Loan for 1841,	\$444,390 00
Deficit on same account for 1840,	33,398 91
Amount required for ordinary expenses of the State for 1841,	100,000 00
Deficit on same account for 1840,	2,111 51
	<hr/>
	579,900 42

The property tax under the revenue law of 1839, if continued, will pro-

duce a nett revenue of	\$275,000
Poll tax under same law, will produce nett revenue	46,000
Sale of lots in Indianapolis,	2,500
Other means applicable to the payment of interest as per table No. 7	110,533
	<hr/> \$434,033 00
	<hr/> \$145,866 42

Exhibiting a deficit, based upon the revenue law of 1839, (or in other words upon a levy of 30 cts. on \$100, and 50 cents poll tax) of \$145,866 42.

Result, based upon the revenue bill, now presented by the committee of ways and means.

Amount required to meet all demands against the State for 1841, as enumerated above,	\$579,900 42
The revenue from property tax at 40 cts on \$100, will produce nett revenue,	376,640 00
Nett revenue from poll tax of \$1,00,	92,000 00
Sale of lots in Indianapolis,	3,500 00
Other means applicable to the payment of interest as per table No. 7	110,532 00
	<hr/> 581,673 00
	<hr/> \$1,772 58

This exhibit will show, that if the bill reported by the committee becomes the law, the ordinary expenses, and interest on the improvement debt for 1841 will be met, and leave a balance in the Treasury at the close of the year 1841, of \$1,772 58, as exhibited in the statement No. 5.

A majority of the committee are of opinion that although the taxes appear oppressive, the people will sustain the credit of the State, and therefore recommend the passage of the bill.

The question will no doubt be asked, why it is that so small a sum is received from tolls on the public works, when so large sums have been expended, on which the State is paying interest? To answer this question the committee direct attention to the condition of the works—there being on several lines large portions nearly finished and ready for use, on which large sums of money have been expended, and at present of no use to the State.

By the act passed at the present session of the General Assembly, "for the relief of contractors," it is provided that the Treasury notes therein authorized to be issued, shall be received for State taxes. Under this provision it is probable that the entire amount of State revenue will be paid in Treasury notes.

The same act pledges the first means which may be realized from the sale of the interest of the State, in any of its property or bank debts in the eastern cities, to the payment of these Treasury notes; and as there will (if the bill now presented pass into a law) be paid

into the Treasury in the course of the year for revenue of 1840. Treasury notes to the amount of about \$470,000, it appears to the committee proper to direct that an amount equal to the Treasury notes that may be thus redeemed through the medium of the collectors, to be placed in some safe depository in New York, to be applied to the interest on the public debt, and the ordinary expenses of the government. This proposition appears to the committee perfectly just and reasonable, as the results will be a redemption of so much of the Treasury note debt, out of the means set apart for that purpose, and will greatly facilitate the payment of interest on the public debt.

There is also a further debt, (not before alluded to) due the branches of the State Bank, which amounts to upwards of \$600,000.

The committee have not been able, to devise any means for the immediate discharge of this debt; and indeed it seems improbable that any means can be realized, until such a change in the monetary affairs of the country as will enable the State to dispose of her bonds at a fair price.

As the State is a large owner of the stock of the bank, the committee have less reluctance in avowing the necessity of permitting that debt to remain unadjusted for the present.

This necessity seems so imperative, that the committee have not thought proper in their estimates, to provide any fund for that object.

All of which is respectfully submitted.

ELISHA LONG, Chairman.

STATEMENT No. 2.--Of the

RECEIPTS.

\$ cts. \$ cts.

There was remaining in the treasury, on the 1st January, 1839,		166,976 12
There has been received at the treasury, as follows, viz:		
For revenue of 1837,	100 00	
“ 1838,	5,094 30	
“ 1839,	295,286 52	
		300,480 82
Sales of Michigan road land,	351 46	
“ lots in Indianapolis,	2,728 95	
Deposites of estates, without known heirs,	231 99	
Incidental sources (sales of public property,)	222 00	
Interest on treasury loans,	2,916 70	
Treasury loans refunded by borrowers,	250 00	
Lawrenceburgh and Indianapolis R. R. Co. funds, refunded,	434 21	
Sales of University lands, (Gibson and Monroe,)	2,745 00	7,135 31
Interest on University loans,	4,667 71	
Sales of saline lands, (Washington and Monroe)	323 50	
Loans of Saline funds, refunded,	330 00	
Interest on Saline funds, loaned,	1,920 99	
College loans refunded by borrowers,	7,679 50	
		17,666 70
		492,258 95

Statement No. 1, showing the amount of assessments, nett amount due the Treasury, amount paid and balance due from the respective counties for 1839.

COUNTIES.	Amount of per returns of clerks of counties for 1835.	Delinquents of former years.	Assess- ments by collectors.	Total amount of assessments.	Delin- quents for 1835.	Commis- sion for collecting.	Mile- age.	County orders.	Nett amount due Treas- ury.	Amount of paid into the Treasury.	Balance due.	Am't out paid.	REMARKS.
Allen	\$2,689 70			\$2,689 70				\$ cts.	\$2,689 70	\$2,689 70	\$620 70		No final settlement.
Adams	325		\$1 08	236 08	\$1	21 63	527 13	9 06	265 37	265 36			
Bartholomew	5,216 55		96 01	5,312 56	188 72	461 32	4 61		4,659 83	4,659 42			
Boone	2,765 93		90 87	2,856 80	141 47	231 38	1 62		2,469 33	2,469 33			
Brown	338 07			338 07					293 72	293 72			
Blackford	197 49			197 49	29 43	14 22	6 00		137 84	137 84			
Clay	1,216 32			1,216 32					1,216 32	1,110 00	106 32		No settlement.
Clark	8,100 38		121 95	8,222 32	145 02	726 06	7 00	4 00	7,239 33	7,139 35			
Cass	1,843 61			1,843 61					1,165 96	1,165 96			
Carroll	4,066 31		328 49	4,394 80	335 68	365 32	4 20		3,689 60	3,689 60			
Cass	2,633 54		25 90	2,659 44	278 69	214 31	4 20		2,162 74	1,289 87	932 87		
Citation	8,875 46		31 50	8,906 96	194 77	334 09	2 70		3,575 40	3,216 90	129 40		
Dearborn	12,365 19		19 19	12,384 38	183 01	163 85	3 22		11,723 57	11,466 14	296 38		
Decatur	6,092 18		172 95	6,265 13	209 74	536 58	2 70	41 70	5,384 11	4,504 00	880 11		Balance paid since 1st January.
Davies	2,240 10		162 82	2,402 92	118 28	208 69	6 78		2,103 27	2,001 87	101 40		No assessment.
Dubois													
Delaware	3,215 74		33 21	3,248 95	216 00	273 42	3 36		2,761 27	2,761 27			
De Kalb	151 53		43 68	195 21	86 76	9 76	10 80		87 89	87 89			
Elkhart	3,703 70		209 74	3,903 44	189 04	244 38	9 00		3,462 03	3,462 02			
Ellettsburg	9,049 15		100 06	9,149 21	770 18	821 92	7 00	26 56	8,786 16	5,365 00	3,321 16		
Floyd	9,892 84		49 32	9,942 16	580 18	833 67	8 20		8,424 11	8,424 11			
Franklin	9,077 49		19 20	9,096 68	320 25	843 87	4 14		8,528 42	8,528 36			
Fountain	6,050 36		37 17	6,087 53	450 25	687 00	4 00		6,951 18	6,951 18			
Fulton	547 46		69 48	616 94	518 43	43 61	5 58		4,589 61	4,589 61			
Gibson	5,103 24		51 78	5,155 02	104 60	454 81	6 00		1,809 36	1,809 36			
Green	2,136 90		12 42	2,149 32	155 83	179 41	4 80		1,531 90	1,531 92			
Hamilton	1,731 05		17 14	1,748 19	53 99	154 54	4 38	6 38	1,333 28	1,333 28	15 62		
Harrison	3,071 26		207 27	3,278 53	334 05	334 05	7 12		3,818 42	3,818 42			
Hendricks	5,536 54		37 59	5,574 13	224 10	440 8			4,440 93	4,440 93			
Hendricks	7,473 77		113 12	7,586 89	107 91	408 75	1 20		5,011 80	4,435 00	606 80		Paid since 1st January.
Hancock	3,006 70		163 29	3,170 00	107 91	710 55	3 30	45 65	7,135 49	6,435 49	700 00		
Huntington	930 08		1 00	931 08	514 25	37 51	5 62		2,577 97	2,577 97			
Huntington	3,100 70		199 95	3,300 65	215 37	286 31	4 44		3,773 54	413 00	39 50		Since received.
Jasper	929 79		6 25	936 04	49 73	25 31	7 08		2,890 53	2,890 53			
Jefferson	14,370 10		174 56	14,544 66	502 09	1,163 84	5 40	197 11	218 90	218 90			
Jennings	3,384 27		31 08	3,415 35	105 85	297 86	3 30		12,575 36	12,575 36			
Jennings	4,729 73		55 90	4,785 63	98 58	433 06	1 12		3,007 80	1,082 00	1,025 84		Since paid.
Jones	362 06		35 65	397 71	406 41	607 88	6 30		4,276 49	4,276 49			
Knox	7,133 97		25 65	7,159 62	406 41	607 88	6 30	5 83	3,818 42	3,818 42			
Kosciusko	728 18		18 26	746 54	84 48	80 59	7 20		315 66	315 66			
Kosciusko	728 18		18 26	746 54	84 48	80 59	7 20		6,133 26	6,133 26			
Lafayette	914 76		107 70	1,022 46	293 28	670 04	4 50		585 27	585 27			
La Grange	5,312 24			5,312 24					6,770 40	4,753 31	2,018 07		
La Porte	394 76			394 76					914 76	939 00	282 76		
Lake	418 07		43 67	461 74	978 41	298 12	2 64		5,212 34	3,860 00	1,512 34		No settlement.
Madison	15,035 29		253 27	15,288 56	863 30	1,298 28		200 46	374 76	186 00	208 66		
Marion	932 23		10 71	942 94	101 57	77 61	6 00		2,890 34	2,890 34			
Marion	3,616 24			3,616 24	88 28	317 51	2 00		12,856 63	12,856 62			
Monroe	10,351 56		10 43	10,361 99	249 18	904 12	3 70	69 18	778 70	778 70			
Montgomery	5,034 57		42 97	5,077 54	193 04	430 42	1 80	40 18	3,207 45	3,207 45			
Morgan	1,212 46		51 19	1,263 65	309 03	88 61	5 40		9,069 75	9,069 75			
Miami	569 30		16 05	585 35	114 73	50 47	6 72		4,401 16	4,401 16			
Marshall	569 30		9 39	578 69	75 66	307 75	6 00		880 62	880 62			
Noble	4,529 50		38 90	4,568 40	148 86	307 75	6 00		503 56	503 56			
Orange	5,735 11		8 18	5,743 29	63 19	240 67	3 15		455 43	463 43			
Owen	2,735 11		13 29	2,748 40	34 80	156 61	9 36	89 50	4,015 09	4,015 09			
Perry	1,961 50		131 63	2,093 13	126 33	624 38	3 30		2,430 28	2,430 28			
Pike	1,815 04	\$ 65 65	15 32	1,830 36	139 22	155 06	8 40		6,219 80	6,219 80			
Posey	4,683 86		17 50	4,701 36	132 48	193 15	9 90	40 49	1,776 42	1,776 42			
Putnam	7,832 76		35 45	7,868 21	89 43	418 67	11 40		1,564 97	1,564 97			
Porter	015 50		25 25	280 75	221 50	687 57	8 00		4,221 81	3,470 50			
Putnam	62 63		7 05	69 68	2 08	33 33	20 00		6,914 15		751 31		
Ripley	3,628 51		35 08	3,663 59	167 68	260 64	5 16	6 05	830 29	640 00	6,944 15		Paid since.
Ripley	3,628 51		1 71	3,630 22	285 43	324 72	4 50	9 05	48 55	48 55	16 00		Since refunded.
Rush	11,439 44		90 28	11,529 72	135 22	1,025 57	2 40	70 8	2,623 86		2,623 86		
Scott	1,543 04		34 23	1,577 27	73 05	135 38	8 6		3,276 72	3,276 72			
Shelby	6,049 94		77 49	6,127 43	107 03	111 47	5 40		10,396 40	10,396 40			
Spencer	2,900 47		70 26	2,970 73	158 10	539 70	1 56	5 25	1,335 86	1,335 86			
Switzerland	5,070 59	58 19	64 06	5,134 65	177 05	193 15	9 90	40 49	5,770 35	5,770 35			
Tipton	5,800 47		23 62	5,824 09	132 48	193 15	9 90	40 49	1,962 56	1,962 56			
Tipton	5,800 47		62 02	5,862 49	132 48	193 15	9 90	40 49	1,564 97	1,564 97			
Union	230 17	221 58		451 75	110 55	249 88	7 20		4,514 64	4,514 64			
Tippacano	10,896 92		53 41	10,950 33	1,010 47	890 26	3 78		1,255 05	1,255 05			
Union	4,017 40		23 40	4,040 80	35 74	114 63	4 30	15 91	3,335 40	3,335 40			
Vanderburgh	4,102 88		41 30	4,144 18	732 10	546 23	5 40		1,115 78	1,115 78			
Vermillion	4,009 26	43 97		4,053 23	940 20	1,073 03	11 40		4,194 62	2,500 00	1,694 62		
Warrick	11,445 78		77 49	11,523 27	114 75				3,485 40	3,485 40			
Washington	16,690 12		54 29	16,744 41	104 37	132 77	10 80		1,533 85	1,533 85			
Wayne	17,109 77		310 62	17,420 39	131 82	774 57	6 00	24 60	7,901 06	7,901 06			
Wayne	3,925 08		40 02	3,965 10	1,092 78	1,476 77	3 70		13,928 75	15,000 00			
Warrick	1,640 23		49 49	1,690 72	145 89	345 76	4 80		3,671 04	3,671 04			
Warrick	157 43		39 23	196 66	36 90	61 85	5 40		615 52	615 52			
Warrick	1,314 63		6 80	1,321 43	94 21	12 55	6 90		130 07	130 07			
Warrick	220 37		47 75	268 12	131 86	114 77	6 00		1,150 45	1,093 00	57 45	9 93	
Warrick			2 83	282 30	83 80	17 95	9 00		172 45				
Total	267,051 61	229 32	\$419 48	272,163 81	17,530 38	20,031 02	430 36	659 90	323,204 25	295,256 32	27,917 73	237 38	COMMITTEE OF WAYS MEANS.

COMMITTEE OF WAYS MEANS

STATEMENT No: 3.—A list of balances due from collectors delinquent from 1st January 1822 to 1st January 1840.

Countries.	1822.	1823.	1824.	1825.	1826.	1827.	1828.	1829.	1830.	1831.	1832.	1833.	1834.	1835.	1836.	1837.	1838.	1839.	Remarks.
Allan,	.	922 00	.	.	.	.	.	.	.	.	.	.	.	.	.	.	630 70	No settlement.	
Chas,	106 52	No settlement.	
Clay,	1 33 40		
Guston,	2 96 52		
Dankorn,	830 44		
Deatur,	.	176 32	.	.	.	.	.	.	.	.	.	.	.	.	.	.	101 40		
Davis,	3231 15		
Eyette,	18 62	Since paid.	
Ford,	184 15	733 84	.	.	.	.	.	.	.	.	.	.	.	.	.	.	630 70	Since paid.	
Grant,	700 00	Since paid.	
Hughes,	-		
Henry,	-		
Huntington,	-		
Jackson,	224 50	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	-
Jennison,	.	33 74	92 01	.	.	.	.	.	.	.	.	.	.	.	.	.	-
Lawrence,	-		
Laurance,	-		
Laporte,	-		
Mahall,	-		
Madrese,	-		
Martie,	203 94	217 19	.	.	.	.	.	.	.	.	.	.	.	.	.	.	206 35	Said on.	
Mason,	-		
Putman,	-		
Randolph,	751 31		
Scott,	6344 13	Since all paid.	
Switzerland,	2,232 86	Since all paid.	
Z. Joseph,	.	104 32	203 05	.	.	.	.	.	.	.	.	.	.	.	.	.	86		
Sullivan,	-		
Vanderburgh,	-		
Wife,	870 89		
Whalsh,	184 17	No settlement.	
Wyatt,	1,604 68		
Wyatt,	2,515 78	No settlement.	
Wyatt,	37 43		
Total	912 50	1,907 77	104 32	92 01	203 05	217 19	33 74	323 03	45 01	32 22	206 35	751 31	6,344 13	2,232 86	870 89	1,604 68	2,515 78	37 43	3,423,674 32



Receipts and Expenditures for 1839.

EXPENDITURES.		\$	cts.	\$	cts.
There has been expended since the 1st January, 1839:					
For expenses of legislature,	.	42,562	12		
“ Public printing,	.	19,857	27		
Amount of specific appropriations,	.	8,466	22		
“ contingent expenses,	.	1,041	29		
“ wolf scalps certificates,	.	106	50		
“ probate expenses,	.	3,397	50		
“ executive “	.	3,491	66		
				78,922	56
Expenses of judiciary,	.	15,373	00		
“ prosecuting attornies	.	1,789	07		
“ militia,	.	127	75		
“ State house,	.	1,042	10		
“ State prison,	.	1,155	74		
“ State library,	.	437	50		
“ Michigan road,	.	436	85		
“ Seat of government,	.	262	62		
				20,624	63
Amount of estates refunded to heirs,	.	821	38		
“ school fund refunded to counties,	.	250	87		
Expenses of Geological surveys,	.	1,833	22		
Amount paid to Fund Commissioners, internal improvement purposes,	.	28,000	00		
Amount of treasury loans,	.	29,167	00		
“ paid to F. Com’rs, Lawrenceburgh and Indianapolis R. R. Co.	.	434	21		
Amount of college funds loaned,	.	11,122	50		
Expenses of State University,	.	2,824	37		
Amount of Saline funds loaned,	.	2,700	00		
“ Saline expenses,	.	186	72		
				77,340	27
To balance in treasury on 1st of January, 1840, (no warrants being out,) .				176,887	46
				315,370	49
				492,258	95

STATEMENT No. 4,

Being an Estimate of the Means of the Treasury, and the Demands upon the same, for the year 1840.

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Estimated means for 1840:		Estimated Demands on the Treasury for 1840.	
Balance in the Treasury on the 1st day of January, 1840, as per Statement No. 2,	\$315,371 49	Salaries of judges and prosecutors,	\$17,500 00
Estimated amount of outstanding revenue of 1839, which probably will be paid into the Treasury in the course of the year,	-	“ executive officers,	3,500 00
Amount of Treasury loans to be refunded,	-	Printing, stationary, and distributing the laws,	13,000 00
From sale of lots Indianapolis,	-	Legislature, including officers,	45,500 00
Deficit in means to meet the demands on Treasury,	-	Specific and contingent appropriations,	5,000 00
	-	Probate judges,	3,500 00
	-	Premiums on wolf scalps,	600 00
	-	State prison,	1,500 00
	-	“ library,	400 00
	-	Adjutant and quarter-master generals,	150 00
	-	Seat of government, (including library fund,)	1,760 00
	-	Estate without heirs, to be refunded,	1,073 00
	-	Conscientious fines to be distributed,	530 00
	-	Amount due college and saline funds,	1,970 00
	-	Internal improvement (being the estimated revenue from property tax in 1839,)	275,000 00
	-		<u>\$370,983 00</u>

STATEMENT No. 5,

Showing the probable Receipts and Expenditures, applicable to the public service for the year 1841, based upon the Revenue Bill reported by the Committee of Ways and Means.

<p>Receipts—from a tax of one dollar on each poll in the State, the whole number being estimated at 100,000, and which it is supposed will produce in nett revenue, - \$92,000 00</p> <p>A property tax of forty cents on each one hundred dollars of the valuation of taxables for 1840, and which it is supposed will produce in nett revenue, (the valuation of 1840 being equal to 1839,) - 376,640 00</p> <p>From sale of lots in Indianapolis, - 2,500 00</p>	<p>Expenditures of 1840, for the ordinary expenses of the government, estimated at - \$100,000 00</p> <p>Deficit in the means to meet the ordinary expenses of 1840, as per Statement No. 4, 2,111 51</p> <p>Amounts required from revenue to meet the interest on the public debt contracted for improvement purposes, including the sum of \$33,398 91, being deficit on same account for the year 1840, - 367,255 91</p>
<p>\$471,140 00</p>	<p>\$469,367 42</p>
<p>Exhibiting the amount of receipts over the demands upon the Treasury, for 1841, (upon this estimate,) of \$1,772 58.</p>	

STATEMENT No. 6.

Being an exhibit of the amount of interest on improvement loans for the year 1840, including the Wabash and Erie canal loans and the bonds issued to the Lawrenceburgh and Indianapolis rail road; as also the bonds delivred to the State Bank for the amount advanced on the 4th instalment of the surplus revenue.

The aggregate amount of this interest paid and payable including exchange between Indiana and New York of about 8 per cent. is - - - \$458,048 95.

The means applicable to the payment of this interest is as follows viz:

Interest on 3rd and 4th instalment of surplus revenue, - - -	\$18,000 00	
Interest on canal lands (sold,) - - -	22,000 00	
Interest on mortgages of Lawrenceburgh and Indianapolis rail road, - - -	11,050 00	
Amount paid by Morris canal and banking company, being mainly for interest on amount due the State from the company	36,566 09	
Amount of interest paid by Bank of Western N. York on amount due from it, - - -	2,500 00	
Estimated revenue from tax on property for the year 1839, - - -	275,000 00	
By canal tolls, - - -	5,000 00	
Morris Canal and Banking Company in posts notes, - - -	24,533 95	\$424,650 04
		<hr/>
		33,398 91

STATEMENT No. 7.

Being an exhibit of the amount of interest on improvement loans for the year 1841, including the Wabash and Erie canal loans—the bonds issued to the Lawrenceburgh and Indianapolis rail road company, as also the bonds delivered the State Bank for the amount advanced on 4th instalment of the surplus revenue.

The entire amount of this interest, which will become due and payable on the 1st day of January, and 1st day of July 1841 will be

\$444,390 00

To which add deficit of last year, [see statement No. 6]

33,398 91

\$477,788 91

For the payment of this interest the committee enumerate the following means, viz:

First. Interest on the 3rd and 4th instalment of the surplus revenue,

\$48,000 00

Interest on Lawrenceburgh and Indianapolis

lis rail road mortgage, 11,000 00

Interest on canal lands 22,000 00

Canal tolls, 5,000 00

From Morris Canal and Banking Company

in post notes, 24,533 00

Amount to be drawn from revenue of 1840,

as per statement No. 5, 367,255 91

\$477,788 91

REPORT

OF THE

BOARD OF INTERNAL IMPROVEMENTS,

RELATIVE TO THE CONTINGENT EXPENSES OF THE

DIFFERENT PUBLIC WORKS.

FEBRUARY 8, 1840.

100 copies ordered to be printed.

OFFICE OF THE BOARD OF INTERNAL IMPROVEMENT,}
Indianapolis February 8th, 1840. }

To the House of Representatives:

The Board of Internal Improvement in compliance with a resolution of the House instructing them "to report the amount of money set apart for contingencies on the different works since December

1838, and how that money has been paid out, to whom, and for what purposes"—have the honor to submit the following statement:

The first branch of the inquiry relates to the amount of money set apart for contingencies on the different works.

By an arrangement between the former Board and fund commissioners, no acting commissioner was allowed to draw for contingent payments, until a certain amount had been appropriated for that purpose by a resolution of the Board, and the fund commissioners notified of such appropriation and its amount. These appropriations were often intended to cover damages, purchases of mill lots, &c., as well as contingent expenses. The acting commissioner drew as occasion required, and subsequently accounted to the fund commissioners, for the funds so drawn by the proper vouchers. The act of 1839, which created the present Board specified the restrictions under which contingent payments were to be made, and superseded the necessity of the arrangement above alluded to.

In December 1838 the former Board appropriated to pay contingencies of the year 1838, in addition to amounts previously authorized the following:

Mr. Morrison on the northern division Central canal,	\$7,500
Mr. Graham on the southern division of Central canal,	2,000
Mr. Long on the White Water canal, - - - - -	7,000
Mr. Johnson on the western division Wabash and Erie canal and the Wabash canal, - - - - -	10,000

On the 5th February 1839 it was ordered by the former Board "that the Secretary inform the fund commissioners that the sums that will be probably needed by the several acting commissioners for contingencies during the current year, over and above the sums already authorized will be as follows:

For the Wabash and Erie canal, west of Huntington	\$6,000
For the Wabash and Erie canal east of Huntington -	6,000
For the Wabash canal north of Attica - - -	4,000
For the Wabash canal south of Attica - - -	4,000
For the New Albany and Vincennes road - - -	8,000
For the Rail Road - - - - -	8,000
For the Erie and Michigan canal - - - - -	6,000
For the Jeffersonville and Crawfordsville road - - -	7,000
For the Indianapolis and Lafayette road N. of Crawfordsville	5,500
For the Cross-Cut canal - - - - -	8,000
For the White Water canal - - - - -	8,000
For the Central canal, northern division - - -	10,000
For the Central canal, southern division - - -	9,000
For the general contingencies of the Board - - -	10,000

The modification act passed soon after the above order was issued, and the members of the former Board found it necessary to draw for only a part of the amounts thus authorized.

That act "provided, that the aggregate amount of such payments [for contingencies] to an acting commissioner shall at no time exceed two

thousand dollars until a full and satisfactory settlement for the same be made with the Board of Internal Improvement by returning the proper vouchers. The disbursements of money by the members of the existing Board have been made in conformity with the provisions of the 19th section of that act.

The following abstracts of payments for contingencies on the different lines will show "to whom and for what purposes" such payments have been made from 1st December 1838 to 31st October 1839. Since the latter date the abstracts from the several lines have not been returned. The payments however have been very small in consequence of the want of funds.

Respectfully submitted,
N. NOBLE, Prest.

WABASH AND ERIE CANAL.

Abstract of payments for contingencies on the eastern division of the Wabash and Erie canal, for the months of December 1838, January and February 1839, by Samuel Lewis acting commissioner.

1839.			
Feb.	28	B. H. Fisher, junor assistant	144
		do. candles and office rent	12 25
		S. Fisher, resident engineer	375
		do. office rent and candles	13
		M. Griggs, wood for office	20
		W. H. Donald, services 5 months	145
		O. Bird, assistant engineer	230
		D. W. Sutherland, axeman	87
		John Roche, rodman	99
		C. McDonald, rodman	99
			<hr/>
			\$1,224 25
			<hr/>
LAND EXPENSES.			
Feb.	28	Samuel Lewis commissoner, 90 days service	315
		M. F. Barber, 3 monthsservices in land offic	105
		N. B. Craig, advertising lands in Pittsburgh	17 50
			<hr/>
			437 50

Abstract of payments for contingencies on the western division of the Wabash and Erie canal for the months of December 1838, January and February 1839, by James B. Johnson, acting commissioner.

1839.			
Janu'ry	2	C. M. Kendall, for an axe	2 25
	28	Douglass and Noel, printing	11 87
Feb'ry	28	W. Black, assistant engineer	144
		do. travelling exp. and office conting's	14 25
		J. L. Stinson, office rent	15
Janu'ry	4	Jesse Baun, wood	8 75
Feb'ry	28	A. J. Miller, rodman	99
		John Yantis, senior rodman	114
		Wm. George, office rent	21
		A. D. Seward, senior assistant	230
		J. L. Stinson, senior assistant	230
		T. C. Langdon, iron for repairing guard lock	1 25
		A. A. Cole, assistant	174
		F. H. Vandercook, repairing guard lock	6
Jan'ry	12	N. B. Dewey, stationary	0 50
Feb'ry	28	A. D. Seward, wood and office furniture	7 88
		J. L. Stinson, wood and candles	5 95
		J. M. Anchemy, axeman	99
			<hr/>
			\$1184 70

Abstract of payments for contingencies on the Wabash and Erie canal from the 1st March to the 31st October 1839, by Samuel Lewis acting commissioner.

1839.			
April	16	Lasselle and Dillon, printing - - -	12 50
	22	L. G. Thompson, for a paper case - - -	12
	24	George W. Wood, printing - - -	9
May	2	Miller and Tower, table and ch'rs for office	2
	29	S. Fisher, resident engineer - - -	375
		do. office rent, postage, candles, &c. - - -	16 25
		do. case of drawing instruments - - -	25
June	31	O. Bird, senior assistant engineer - - -	230
		D. W. Sutherland, axeman - - -	87
		Samuel Lewis, commissioner - - -	375
	1	J. L. Stinson, senior assistant - - -	230
		A. D. Seward, assistant - - -	174
		W. Black, junior assistnt - - -	144
		A. A. Cole, junior assistant - - -	144
		John Yantis, senior rodman - - -	19 61
		T. H. Barnes, rodman - - -	26 40
		A. J. Miller, axeman - - -	99
		E. Hubbard, axeman - - -	24
		J. M. Andrews, axeman - - -	99
		J. L. Stinson, office rent, candles, wood, &c. - - -	15 63
	14	B. H. Fisher, office rent and furniture - - -	9
		do. assistant engineer - - -	174
		W. McDonald, axeman - - -	87
		J. Roche, rodman - - -	114
		C. McDonald, rodman - - -	99
August	19	George W. Wood, printing - - -	14 37
	31	J. M. Andrews, axeman - - -	99
		Samuel Lewis, commissioner - - -	375
October	7	John Roche, rodman - - -	114
	8	R. E. Fleming, recording water power con't - - -	1 50
	16	S. Fisher, resident engineer - - -	375
	18	A. A. Cole, junior assistant - - -	96 14
	26	B. H. Fisher, assistant - - -	174
	28	O. Bird, senior assistant - - -	230
		D. W. Sutherland, axeman - - -	87
	29	Wm. H. McDonald, axeman - - -	87
		Calvin McDonald, rodman - - -	114
	31	H. Rudisill, postage - - -	10 09
		M. F. Barber, clerk in land office - - -	280
		John M. Witt, clerk and travelling expenses - - -	276
		do. office rent and stationary - - -	3 25
		M. F. Barber. wood for office - - -	20 25
			<hr/> \$4958 99

1839.			
May	3	Paid by N. Noble, President of the Board to Morris Morris, Auditor for keeping canal land books	37 50
June		do. do. do.	37 50
<i>Recapitulation.</i>			75 50
Paid by		Mr. Lewis in last qr. of former Board	1224 25
by		do. do. exp. of land office	437 50
by		Mr. Johnson in last qr. of former Board	1184 70
by		Mr. Lewis from 1st March to 31st Oct. 1839	4958 99
by		Mr. Noble to the Auditor of pub. accounts	75
Total payments for contingencies on Wabash and Erie canal from 1st December 1838 to 31st Oct. 1839			\$7880 44

WABASH CANAL.

Abstract of payments for contingencies on the Wabash canal for the months of December 1838, January and February 1839, by James B. Johnson acting commissioner.

1838.			
Dec.	31	D. Hart, axeman	33 50
M'ch 1	'39	H. Q. Jennison, resident engineer	375
		H. Q. Jennison, senior assistant	38 33
		H. Q. Jennison, office furniture	5 67
		Avery D. Babcock, axeman	44 50
		H. Q. Jennison, office rent and expenses	34 50
		F. H. Stone, senior rodman	19
		Wm. H. Stockwell, senior assistant	230
		F. H. Stone, senior rodman	114
		James B. Johnson, commissioner	315
Feb'y	28	Henkle and Quigly, candles	6 20
March	7	J. C. Cox, recording deed of water pow. lot	1
			<hr/> \$1,216 70

Abstract of payments for contingencies on the Wabash canal near Covington, for the months of December 1838, and January and February 1839, by Thomas H. Blake acting commissioner.

1839.			
Feb'y	28	S. M. Colman, assistant engineer	142 75
		Blake and Ball, stationary	7 11
			<hr/> \$149 86

Abstract of payments for contingencies on the Wabash canal from the 1st March to 31st October 1839, by Samuel Lewis acting commissioner.

1839.				
March	23	George D. Davis axeman	- - -	108
		Israel Hook, axeman	- - -	62 25
		Wm. H. Ward, senior rodman	- - -	114
May	31	George D. Davis, axeman	- - -	78 25
		Wm. H. Ward, senior rodman	- - -	114
		Joseph H. Nelson, senior assistant	- - -	230 71
		Joseph H. Nelson, office expenses	- - -	5 50
		Hamilton and Price, furniture and initrum'ts	- - -	57 12
		James Nicholas, sounding at summit	- - -	37 50
June	1	J. E. McDonald, rodman	- - -	83 16
		A. D. Babcock, axeman	- - -	99
		James Johnson, assistant	- - -	174
		James Johnson, for office expenses	- - -	5 13
		Washington Black, travelling expenses	- - -	6 75
	12	D. Wallace, selecting lands	- - -	200
August	8	J. S. Hanna, office rent	- - -	34 37
October	12	J. E. McDonald rodman	- - -	145
				<hr/>
				\$1,554 74
<i>Recapitulation.</i>				
Paid by		Mr. Johnson in last quarter of former Board		1216 70
by		Mr. Blake " " " "		149 86
by		Mr. Lewis from 1st March to 31st Oct. 1839		1554 74
				<hr/>
Total contingencies on Wabash canal from 1st December 1838 to 31st October 1839				\$2,921 30

ERIE AND MICHIGAN CANAL.

Abstract of payments for contingencies on the Erie and Michigan canal from 1st December 1838 to 31st October 1839, by Samuel Lewis acting commissioner.

1839.			
Feb'y	25	Wm. B. Mitchell, candles and stationary	7 36
	28	Wm. B. Mitchell, resident engineer	375
March	1	C. W. Alexander, axeman	99
		S. Martin, junior rodman	99
		A. T. Frink, senior assistant	230
		do he paid for hands and exp. of party	18 75
April	16	Thompson and Jeffords, for drawing paper	63
	24	George W. Wood, printing	15
	27	W. S. Engle, office rent	30
May	11	N. Fanand, horse hire for a messenger	5
	17	O. W. Jeffords, clerk hire at estimate	12
	31	C. W. Alexander, axeman	99
		S. Martin, junior rodman	99
June		A. T. Frink, senior assistant	243 75
	24	Wm. B. Mitchell, resident engineer	375
		A. Tarbox, superintending const. of res'voir	94
July	1	W. S. Reid, township plats for locating party	3
	8	M. McCarty, washing camp blankets	4 75
		Miller and Tower, camp equipage	48 92
	9	E. H. Dunton, woodsman searching sec. cor.	11 25
	13	Mary Mangon, provisions for camp	2 52
	19	Hugh Gragg, " "	7 06
	20	J. H. Nelson, " "	3 25
	22	Hiram King, " "	3 74
		Oliver Wright, " "	6 75
	23	Mrs. Creamer, " "	1 15
	29	Evan Jones, " "	12 86
August		Peter Wirman, " "	4 64
		John B. Sawtell, " "	6 81
		Hiram Creamer, chainman	63
	3	Thomas Tigan, rodman	20
	7	Hugh Gragg, provisions	7 28
	8	Mr. Gragg, washing camp towels	1
	12	Hiram Creamer, provisions	8 24
	14	Lewis and Marsh, camp equipages	13 18
	17	Mrs. King, provisions	75
	19	Evan Jones, " "	17 63
		Peter Wirman, " "	4 25
	21	Hugh Gragg, " "	2 25
		Carried over	

1839.			
		Brought forward	
August	22	Hiram Creamer provisions	2
	26	Aug. Whitford "	1 25
		Hiram Creamer "	6 25
	29	Alonzo Whitford "	7 62
		Wm. B. Mitchell, resident engineer	375
Sept.	9	W. E. Drake, axeman	4
	13	Mrs. Mangum, washing for camp	4 81
	16	A. Whitford, boarding hands	9 50
		Mrs. Potter, provisions	1 59
	19	A. N. Dow, "	3
		Wm. T. Hunter "	19 38
		do. chainman	3
October	2	Walter Parker, axeman	1 33
	3	J. H. McMacken, boarding hands	2 50
	3	Mrs. Wheeler provisions	1 31
	4	Mr. Work, "	1
	12	Wm. T. Hunter, "	23 63
	24	Joseph Johnston, for tent poles	2
		Johnathan Simon, provisions	7 97
October	24	Joseph Vandolah, provisions	1 25
	27	R. Work, "	2 81
	31	A. N. Dow, "	31 37
		R. Work, "	2 42
		K. Abbott "	11 65
		Schuyler Wheeler "	17 15
		P. Horn, "	27 11
		H. Pugh, axeman	40
		J. B. Sawtell, chainman	41 19
		Thomas Tigan, rodman	21
		J. H. Clippinger, junior assistant engineer	95 69
		A. N. Dow, wagoner for camp	16
		P. Horn, cook for camp	53 12
		John Herrick, axeman	31 32
		John Hamilton, chainman	20
		A. Tarbox, superintendent of construction	95
		A. Bull, chainman	20
		John Campbell, axeman	1 09
		Daniel Bedlock, axeman	2 19
		Peter Vaness, chainman	5 47
		A. Lamb, axeman	1 09
		W. Pool, "	20
		W. Pool, "	25
		Timothy Adams, axeman	2 19
		F. A. Miller, chainman	15
		Carried forward,	

1839.			
Oct. 31		Carried forward,	
		D. Maginness, provisions	5
		J. H. Nelson, senior assistant	134 30
		A. Powers, axeman,	15
		John P. Hedges, tents for locating party	24
		Warren Pool, axeman	15
		J. Martin, jr. rodman	95
		C. W. Alexander, axeman	81 25
		A. T. Frink, senior assistant,	165
		Asa Brown, provisions	10
		Wm. James Ball, resident engineer,	301 65
		J. H. M'Intire, gauging streams	40
		Do. axeman	15
		W. E. Drake, chairman	21 56
		R. N. Noland, rodman	77 37
		R. B. Hanna, assistant engineer	88 74
		V. Hatch, axeman	15 25
		L. G. Thompson, use of wagon and oxen	40 42
		Samuel Lewis, commissioner	250
		Total contingencies on Erie and Michigan canal, from 1st December, 1838, to 31st October, 1839.	\$4,465 19

CROSS-CUT CANAL.

Abstract of payments for contingencies on the Cross-Cut Canal, from December 1st, 1838, to March 1st, 1839, by Thomas H. Blake, Acting Commissioner.

1838					
Dec.	8	James M. Brown, wood	-	-	1 50
	22	James Law, do.	-	-	1
Jan. 1, '39		E. Douglass, do.	-	-	88
	8	J. Burton, do.	-	-	1 35
	31	J. A. Russell, sr. rodman	-	-	84 78
Feb.	9	R. and V. C. Hanna, stationary	-	-	4 50
		Stacy & Williams, do.	-	-	17 37
		Douglass & Noel, printing	-	-	5
	20	John Scott, office rent	-	-	33 33
		Wm. L. Alexander, axeman	-	-	63
	23	Richard Blake, stove and candles	-	-	46 50
	27	James Hook, furniture for office	-	-	7
	28	Edwin Brown, rodman	-	-	197 39
		Alexander Beard, axeman	-	-	4
		James M. Brown, wood	-	-	1 50
		Eli Davis, patterns for masonry	-	-	46 28
March	1	William James Ball, postage	-	-	3
		E. Flint, stationary	-	-	6 37
	2	William James Ball, postage,	-	-	5 50
		J. H. Clippinger, senior, rodman	-	-	22 50
		Blake and Ball, candles, stationary, &c.	-	-	15 33
		Michael Smith, axeman	-	-	172 66
		J. H. Clippinger, senior rodman	-	-	115 55
		J. H. Nelson, assistant	-	-	174
		William James Ball, resident engineer	-	-	375
		Thos. H. Blake, expences at Indianapolis	-	-	38
					\$1443 29

Abstract of Payments for Contingencies on the Cross-Cut Canal, from
1st March, to 31st October, 1839, by N. Noble, Acting Commis-
sioner.

1839.	Lindley, Patterson & Rea, stationcry	-	9 63
	Do. candles, stationary	-	18 84
	M. Lehi, axeman	-	37
27	B. P. Noland, senior assistant	-	229 29
May 3	Wm. Jas. Ball, resident engineer,	-	250
4	J. L. Viditor, clerk	-	15
11	D. S. Donaldson, furniture for office	-	5 53
	Edwin Brown, rodman	-	29
21	W. A. Sangster and brother, office rent	-	10 83
	J. H. Clippinger, office expenses	-	2 25
	Do. assistant engineer	-	96 14
	J. & T. Dowling, printing	-	15
	D. Reeves, cleaning office	-	2
June 3	B. W. N. Nowland, senior rodman	-	114
	N. Smyth, axeman	-	78 25
	B. P. Nowland, senior assistant	-	230 71
	C. A. Ogden, office rent	-	30
19	J. H. Clippinger, assistant	-	91 87
20	Richard Blake, stationary	-	8 75
	Wm. Chamberlain, axeman	-	10 62
21	Wm. Jas. Ball, resident engineer	-	250
	Do. postages	-	5
22	Peter Dufficy, repairing instruments	-	1 38
24	Alex. Beard for tow path posts	-	4 50
July 15	E. Flint, stationary	-	9 12
20	Isaac Lemaster, axeman	-	10
August 12	B. P. Nowland, senior assistant	-	153 57
	John Dowling, clerk	-	90
April	Walter Dickinson & Co. ass'rs of damages	-	94 50
<i>Recapitulation.</i>			<u>\$1,903 78</u>
Paid by Mr. Blake in last quarter of former board,			1,443 29
by Mr. Noble from 1st March to 31st Oct.			1,903 78
Total contingencies of Cross-Cut canal, from 1st Dec. 1838, to 31st Oct. 1839.			<u>\$3,347 07</u>

CENTRAL CANAL.

Abstract of Payments for Contingencies on the Northern and Indianapolis Divisions of Central Canal, from 1st December, 1838, to 1st March, 1839. by A. F. Morrison, Acting Commissioner.

1838.			
Dec.	1	I. Soles, axeman	46 90
	5	J. Davis, wood	5
		J. Livingston, printing and advertising	57 50
January	21	Stacy & Williams, blank books	48 50
	6	F. W. Prescott, drawing instruments	25
	7	H. Carroll, transportation of levelling party	9
	8	Morrison Hazlitt & Co.; an axe and handle	2 62
	12	A. Makepeace; boarding test level party	4 75
	18	Espy & Sloan, rods and targets	4
Feb.	26	I. Folden, wood	7
		F. Seward, moving office furniture	3
	1	A. Bell, digging test pits and gauging rivers	23 33
	4	W. S. Hobart, office expenses	8 75
		B. Shaffer, axemen	4 50
		W. Myers, boarding test level party	7 50
	5	Do. do. do.	18 28
	8	Dr. Wise, do. do.	5 75
	9	S. Harpold, axeman	75
	11	D. Wise, boarding test level party	11
	12	I. N. Coffin, do. do.	2 50
	15	G. West, do. do.	8 62
	18	F. Seward, expenses of test level party	43 06
	23	Do. levelling rod	3
	28	T. A. Morris, office expenses	23 50
Feb.		W. S. Hobart, rodman	99
		E. Brown, senior rodman	114
		L. H. Amsden, assistant	174
	28	I. S. Sack, axeman	110 56
		L. H. Amsden, furniture for office	30 87
		J. L. Mothershead, candles and stationary	22 06
		J. S. Roberts, axeman	99
		F. Seward, senior assistant	230
		John Hunt, senior rodman	114
		T. M. Wheeler, junior assistant	129
		E. S. Alvord, transporting party	30
		Wm. J. Holman, junior assistant	144
		F. W. Prescott, assistant	174
		T. A. Morris, resident engineer	375
		R. and V. C. Hanna, stationary	9 78
		Carried forward,	

1838.	Brought forward,	
Feb. 28	A. F. Morrison, commissioner	319
	M. and J. Lyttle, keeping oxen	12
	Jennison & Slater, blank books	3
	Morrison & McDougal, do.	2
	Morrison & Talbot, candles, stationary, and paint	44 94
	J. Cain, postage	6 25
	Douglass & Noel, printing and advertising	17 75
		<hr/> 2,634 02

Abstract of Payments for Contingencies on the Northern Division of
Central Canal, from 1st March, to 31st October, 1839, by Noah
Noble, Acting Commissioner.

1839.			
March	16	Tomlinson & Sullivan, candles	44 62
	18	F. Seward, senior assistant	45 90
	21	Asherton & Blackledge, provisions	11 26
		F. W. Prescott, stage fare, furniture, and	
	23	canoe	23
April	30	J. G. Weeks, rodman	4 87
	2	C. Whitzel, office rent	12
	12	Young & Pottage, tape line	5
	16	T. A. Morris, hollow quoin patterns	5
		Do. expenses of locating party	25 62
	19	Jas. Van Blaricum, pasturing oxen	14
		Do. setting bank posts	3 50
	25	J. Nichols, axeman	12
May	18	John M. Whitzel, hauling castings	4 23
		John Thornburgh, do.	2 16
	31	T. A. Morris, for castings	3
		Do. postage	4 62
		Wm. S. Hobart, rodman	99
		J. S. Slack, axeman	99
		John Hunt, rodman	114
		S. W. Prescott, assistant	174
		L. H. Amsden, assistant	174
		S. A. Morris, resident engineer	375
		J. S. Roberts, axeman	82 50
		Wm. J. Holman, office expenses	21 25
		T. M. Wheeler, junior assistant	124
		E. Brown, senior rodman	135 25
		N. Noble, commissioner	375
		Wm. J. Holman, assistant	144
		J. S. Roberts, travelling expenses and con-	
June	6	tingencies	4
		Do. horse-hire and moving furniture	6 87
		Thos. Donelan, 2 sets tripod legs	4
	10	Morris & brother, provisions and stationary	25 87
	11	Thomas Donelan, book case	6
		Eden Brown, rodman	16 66
	28	Wm. Myers, office rent	22 50
July	5	T. A. Morris, sundry contingencies	16 88
		T. M. Wheeler, horse hiro	7 56
		Wm. Y. Wiley, stationary	3 50
	28	Andrew Wilson, use of oxen and wagon	58
	8	L. H. Amsden, assistant	62 70

Carried forward,

1839.			
August		F. W. Prescott, instruments & furniture -	11 50
	2	S. Day, superintendent on account of repairs	200
	7	F. W. Prescott, assistant -	129 50
	31	T. A. Morris, resident engineer -	375
		John Hunt, senior rodman -	114
		Wm. J. Holman, assistant -	174
		Do. instruments -	20
		Do. sundry contingencies -	21
		N. Noble, commissioner -	375
		J. R. Slack, axeman -	90 75
Sept.	1	T. M. Wheeler, junior assistant -	144
		W. G. Hobart, horse hire & office expenses	23 12
		Do. senior rodman -	114
		J. S. Slack, rodman -	99
		Do. travelling expenses -	7
Oct.		Sam'l C. Bradford, senior assistant -	102 22
	22	T. A. Morris, money paid to assistants -	12 37
	23	E. S. Alvord, horse hire -	18 75
	31	S. Day, on account of repairs -	196 10
		T. M. Wheeler, paid by him for axeman -	16 53
		N. Noble, commissioner -	250
		G. W. Kimberly, freight, &c. on castings -	9 34
			<hr/>
			\$4,875 44

Abstract of Payments for Contingencies on the Southern Division of the Central Canal, from the 1st December, 1838, to the 31st October, 1839, by John A. Graham, Acting Commissioner.

1838.			
Dec.	3	Wm. Town, printing	13 50
'39, Jan.	5	J. J. Thornton, axeman	35
Feb.	28	John A. Graham, commissioner	315
March	1	C. G. Voorhies, resident engineer	375
		S. C. Bradford, senior assistant	230
		A. C. Bradford, senior rodman	114
		James Johnson, axeman	38 81
		P. H. Woodard, senior assistant	230
		Wm. E. Ritchmeyer, rodman	114
		B. Farnam, axeman	93
May	28	P. H. Woodard, senior assistant	230
		A. C. Bradford, senior rodman	114
		W. E. Ritchmeyer, senior rodman	114
		B. Farnam, axeman,	93
June	1	C. G. Voorhies, resident engineer	375
		S. C. Bradford, senior assistant	230
		Robert Barnes, stationary	16
		J. J. Thornton, axeman	63
July	18	S. C. Bradford, senior assistant	127 75
August	34	Bela Farnam, rodman	114
October	24	G. H. Proffit, taking depositions	15
	31	B. Farnam, rodman	76
		J. A. Graham, commissioner	333 33
		Do. postage	15
		C. G. Voorhies, office rent and expenses	52 72
<i>Recapitulation.</i>			\$3,527 11
Paid by Mr. Morrison in last qr. of old board			2634 02
Do. by Mr. Graham from 1st Dec. 1838, to 31st Oct. 1839			3527 11
Do. by Mr. Noble, from 1st March to 31st October, 1839			4875 44
Total payments on Central Canal from 1st Dec. 1838, to 31st Oct. 1839.			\$11,036 57

WHITE WATER CANAL.

Abstract of Payments for contingences on the White Water Canal from 1st December, 1838, to 1st March, 1839, by E. Long, Acting Commissioner.

1838.		
Dec.	1	Warner Tibbs, office rent - - 3
		Do. office rent and fuel - - 25
		D. Guard, office rent and fuel - - 35 75
		J. Rittenhouse, candles, stationary, &c. - 10 12
		G. F. Maxwell, rodman - - 99
		Erasmus Guest, do. - - 114
		Wm. B. Young, do. - - 99
		D. Trueblood, axeman - - 28
		Do. do. - - 27 90
		J. V. Howe, freight of instruments - 15
		C. H. Williams, boarding test level party - 57 06
		T. G. Noel, assistant engineer - 174
		W. Howell, axeman - - 81
		C. H. Williams, senior rodman - 114
		S. Holman, resident engineer - 375
		J. H. Farquar, assistant engineer - 144
		M. S. Webb, office rent, expenses, fuel, &c. 30 63
		W. Jackson, axeman - - 81
		Philip Savell, superintendent of masonry - 231 25
		R. P. C. Barwick, digging test pits - 8
		S. Holman, postage and stationary - 16 38
		Joseph Miller, hollow quoin patterns - 5
		Martin Coryell, blank books, printing and postage - 29 94
		T. Pensill & Co. transporting instruments, 4
		J. H. Farquar, printing, postage, and horse-hire - 8 75
		T. G. R. Noel, candles, paper, & stationary 29
		Martin Coryell, assistant engineer - 250
		J. D. Ashley, axeman - - 81
		E. Gest, travelling, stationary, printing, &c. 3 75
		C. H. Williams, travelling and horse hire 15 75
		M. S. Webb, for a surveyor's compass - 50
		S. B. Pensill, rodman - - 37 45
		M. S. Webb, assistant engineer - 144
		T. G. R. Noel, office rent - - 18
		S. Maken, rodman - - 88 96
		C. F. Clarkson, printing and advertising 122 50
		C. H. Williams, senior rodman - 32
		W. Baker, boarding locating party - 4 63

Carried over

1838.			8 12
		S. Holman, do. do. . .	
Dec.	18	M. Coryell, assistant engineer -	49 31
	16	J. Woods, horse to Richmond sundry times	10
	17	T. Noel, horse keeping -	4
	18	S. Makee, rodman -	19 50
	20	Lewis Jolly, moving office furniture	6 25
	29	E. Gest, rodman -	36 75
1839.		Do. stationary and candles -	1 25
January	7	J. C. Johnson, 10 cords wood for office	20
	9	T. G. R. Noel, repair of instruments, station- ary, and expenses of locating party -	40 62
	17	Wm. Webb, wood -	3
		G. F. Maxwell, rodman -	51
		Wm. Howell, axeman, -	41 75
Feb.	13	John Blaze, do. -	21
		John Rees, moving office furniture -	15
	28	S. Holman, resident engineer -	375
		Do. postage and stationary -	8 62
March	1	R. & S. Tyner, blank books, paper, ink, &c.	1 50
		Long & Brown, candles and stationary	2 79
		A. D. Gallion, do. -	8 25
		M. S. Webb, labor, postage, horse-hire, &c.	8 75
		Robert P. Short, axeman. -	74
		Thaddeus Wright, rodman -	11 93
		Philip Saville, stone inspector -	228 12
		T. G. R. Noel, horse-hire and expenses	17 75
		Joseph Meeks, levelling rods, targets, &c. -	10
		F. F. Lapis, State agent -	101 50
		T. G. R. Noel, assistant engineer -	174
		Wm. Howell, axeman -	11
		M. S. Webb, assistant engineer -	174
		Do. paid to axemen -	26
		E. Long, commissioner -	315
		Do. postage -	4 50
Feb.	28	Wm. B. Young, rodman -	99
		J. H. Farquar, assistant engineer -	144
		C. H. Williams, senior rodman -	114
		D. Trueblood, axeman -	81
		Helm & Mount, candles, stationary &c. -	14 70
		D. Hawkins, office rent -	36 33
		J. H. Farquar, locating party, fuel, station- ary, &c. -	46 81
		Mason & Griffis, stationary -	2 20
January	28	Henry S. Arnold, clerk hire -	15
			<hr/>
			\$5,127 12

Abstract of Payments for Contingencies on the White Water Canal,
from 1st March to 31st October, 1839, by Noah Noble, Acting
Commissioner.

1839.			
April 17.	S. Holman, to pay contingencies, to be accounted for with vouchers,	-	150
May 31.	S. Holman, resident engineer	-	375
	T. G. R. Noel, assistant engineer	-	174
	C. H. Williams, junior assistant	-	144
	John Farquhar, do do	-	144
	S. W. Hawley, axeman	-	43 50
	Wm. B. Young, senior rodman	-	114
	Thos. Wright, rodman	-	99
	Jacob Byles, axeman,	-	54 14
	M. S. Webb, assistant engineer	-	174
	Philip Saville, superintendent of masonry	-	228 12
	Wm. Howell, axeman	-	61
June 19.	T. G. R. Noel, contingencies and services to be accounted for	-	200
	John H. Farquar do do	-	100
	M. S. Webb do do	-	200
August 31.	S. Holman, resident engineer	-	250
	do contingent expenses	-	51 25
			<hr/> \$2,562 01
	<i>Recapitulation.</i>		
	Paid by Mr. Long in the last qarter of former board	-	5,127 12
	Paid by N. Noble, from 1st March to 31st October 1839	-	2,562 01
	Total payments for contingencies on White Water canal from 1st December 1838, to 31st October 1839	-	<hr/> \$7,689 13

MADISON AND INDIANAPOLIS RAIL ROAD.

Abstract of Payments for Contingencies on the Madison and Indianapolis Rail Road, from 1st December 1838, to 1st March 1839, by John Woodburn, Acting Commissioner.

1839.			
January	29	Hugh Delvary, brakesman of car	72 50
		Henry Jackson, locomotive engineer	165 63
		Wm. Pye, fireman	91 25
	11	H. L. Arnold, copying items of construction and contingencies	32
	31	Eli Stapp, moving fence	8
Feb'y	1	Benj. Branham conductor of locomotive	126
		do payments by him for hauling locomotive	90 10
	2	Thomas Allen, wood	36
	5	John G. Sering, rodman	99
		W. & J. Kinney, stove pipe &c.	24 26
		Wm. Clyde, junior assistant,	150 12
	7	D. Lewis & Millhouse, wood	112 19
	11	John Richie, wood	76 25
	15	Wm. H. Gray, printing	8 75
	18	Flint & Green, wood	28 44
	20	A. M'Collister, wood	23 13
	22	H. Brown & Co. conveying locomotive to Louisville	327 63
	23	E. Austin wood,	65 12
	25	Rowan & Sherlock, use of stove for car	2 25
	28	E. M. Beckwith, resident engineer	375
		J. H. Sprague, senior assistant	174
	27	Walter Hoyt, rodman	99
	28	E. M. Beckwith, targets, rods, tapes, &c.	65
March	1	S. Brown, sperm oil	39 90
		James McMillan, stationary	41 69
		S. S. Gillet, cordage	3 25
		John Woodburn, commissioner	325 50
		J. H. Sprague, use of locomotive from Louisville	467 87
		David Lewis, wood	6 25
		R. M. Patterson, senior assistant, and payments to rodmen and axemen	336 50
		A. W. Flint, payments to axeman, &c.	16
		Henry Jackson, locomotive engineer	67 75
		George Givens, office rent	33 34
		John Woodburn, postage	10 50
			<hr/>
			\$3,600 17

Abstract of Payments for Contingencies on the Madison and Indianapolis Rail Road, from 1st March to 31st October 1839, by N. Noble, Acting Commissioner.

1839.			
April	3.	S. Brown, oil, paints, &c. - -	75 12
		J. A. Reynolds, freight and forwarding locomotive - - -	111 71
		Leonard Phelps camp equipage - -	52 47
		Wm. Brown & Co. hauling to depot of machinery, &c. - - -	54
	4	John G. Sering, conductor of train -	62
May	13	J. W. Robertson, for McClurg, Wade & Co.	48 25
		Jas. Cochran, provisions for camp -	90 11
		Wm. H. Gray, advertising - -	42 75
		Samuel Thomas, superintendent of depot -	70
		do travelling expenses to Philadelphia -	129
		do superintendent of depot -	140
		James McMillan, stationary -	33 76
April	6	R. M. Patterson, senior assistant -	58
		Walter Hoyt, rodman - -	39
May	10	James T. Burns, camp expenses -	88 75
	16	Wm. V. Utter, expenses of locating party	250
	18	J. H. Sprague do - -	20 43
		Walter Hoyt, rodman - -	39
		S. Thomas, lathe at depot and services	150
		Wm. H. Spann, 2 months services -	36
	10	James T. Burns, camp expenses -	192 25
	31	Wm. V. Utter, rodman - -	114
June	17	J. H. Sprague, expenses of locating party	220
	19	J. L. Goodhue chainman - -	20
	22	James T. Burns, rodman - -	90 37
		James T. Burns, camp expenses -	87 34
		Thos. B. Linchet, blankets -	7 87
		R. M. J. Cox, chainman - -	67 83
		John Spann, flagman - -	35 83
		P. McCormack, axeman - -	18 69
		Wm. Van Winkle, chainman -	86 83
		James E. Sage, axeman - -	14 52
		A. Thomas, cook in camp - -	62 87
		J. H. Sprague, office expenses, fuel, &c. -	17 62
		W. Stapp & Co. blankets, - -	6
		E. M. Beckwith, travelling expenses to Indianapolis and Andersonstown -	70
		E. M. Beckwith, expenses returning locomotive to Louisville - -	40 87
		Carried forward - - -	

1839.			
June	22	Brought forward - - -	
		J. H. Conner, postage - - -	8 68
		Walter Hoyt, rodman - - -	76
	24	E. M. Beckwith, resident engineer -	474 84
		Wm. Hoyt, machine for elevating track -	300
		J. H. Sprague senior assistant -	230
		R. M. Patterson, senior assistant -	153 33
	26	Maccubin & Cole, hauling machinery to de-	
	27	pot - - -	90 25
	28	Peter Walker, hauling wheels, &c. -	7
July	12	James Tilton, rodman - - -	117
	13	A. W. Flint, log chains, benches, &c. -	22 50
		Jas. Tilton, rodman and travelling expenses	78 12
		Wm. V. Utter, senior rodman - - -	39
		J. H. Sprague, senior assistant - - -	76 66
		do do for expenses of locating party	
		above Columbus - - -	200
		Wm. H. Webb, advertising and printing -	36
		C. Fitzhugh, carriage hire for arbitrators	
		on Hendricks section, No. 2. - - -	9
		R. M. Patterson, senior assistant - - -	95 33
	19	Levi Butler, axeman - - -	45
	31	James T. Burns, axeman - - -	52 87
		R. J. Cox, axeman - - -	52 87
		J. H. Sprague, senior assistant - - -	76 66
		Walter Hoyt, rodman - - -	38
August	2	Jas. McMillan, stationary and blank books	72 04
June	10	Stacy & Williams, field books - - -	1 75
	17	Wm. Evans, axeman - - -	9
	18	B. Irwin, boarding locating party above Co-	
		lumbus - - -	21
	19	A. C. Thompson, do do - - -	2
	22	John Henderson, do do - - -	26 62
		A. A. Power, chainman - - -	8 65
		N. C. Shaffer, boarding locating party -	23 24
		J. M. Bush, rodman - - -	16 82
		J. Adams, boarding locating party - - -	13
		F. C. Downing rodman - - -	7 25
July	3	T. M. Wheeler, expenses of locating party	12 56
	4	Powel Tailor, axeman - - -	11 73
		L. Munsell, expenses of locating party -	46 61
		do services as surveyor, &c. - - -	29 22
		S. T. Wollen, rodman - - -	17 75
		S. Day, expenses of locating party - - -	2
			<hr/>
			\$5,343 59

1839.	<i>Recapitulation.</i>	
	Paid by Mr. Woodburn, in last quarter of former board - - -	\$3,600 17
	Paid by Mr. Noble, from 1st March to 31st October, 1839 - - -	5,343 59
	Total payments for contingencies on the Rail Road, from December 1, 1838, to 31st October 1839, - - -	<u>\$8,943 76</u>

JEFFERSONVILLE AND CRAWFORDSVILLE ROAD.

Abstract of Payments for Contingencies on the Jeffersonville and Crawfordsville Road, from December 1, 1838, to 28th February 1839, by D. H. Maxwell, Acting Commissioner.

1838.		
Dec. 1	W. D. Maxwell, assistant engineer -	58
31	do do -	9
Feb'y 1	Douglass & Noel, printing -	3
15	M. L. Deal do -	5
25	Wm. Shields, making up estimates -	27
28	D. H. Maxwell, postage -	4 75
March 1	B. R. Byeres, postage -	7 25
May 25	D. H. Maxwell, commissioner -	315
		<u>\$429</u>

Abstract of Payments for Contingencies on the Jeffersonville and
Crawfordsville Road, north of Greencastle, from 1st of March to
31st October, 1839, by Noah Noble, Acting Commissioner.

1839.		
April 1	Geo. H. Jennison, junior assistant	144
	M. T. Williams, rodman	99
	S. T. Woollen, axeman	87
	B. T. Bartholomew, printing	25
	O. P. Jennison, office rent, fuel, lights, stationary, &c.	79
May 2	S. T. Woollen, axeman	62
27	O. P. Jennison, resident engineer	375
31	do office rent, stationary and postage	20 50
	G. H. Jennison, junior assistant	144
	Thos. J. Haven, axeman	29
	M. T. Williams rodman	99
August 2	O. P. Jennison, stationary, office rent, instruments	31
	O. P. Jennison, resident engineer	375
	T. J. Havens, axeman	87
	M. T. Williams, superintendent of masonry,	76
	M. T. Williams, rodman	38
	A. F. Ball, rodman	76
	G. H. Jennison, junior assistant	144
		<hr/> \$1,990 50

Abstract of Payments for Contingencies on the southern part of the
Jeffersonville and Crawfordsville Road, from 1st March to 31st Oc-
tober, 1839, by John A. Graham, Acting Commissioner.

1839.				
March	22	J. Margroff, junior rodman	87	
		W. Tribolet, do	87	
		Ira Welman, office expenses	37 82	
		John K. Graham, procuring relinquishments	18 75	
		Stephen Hole, office rent	16	
		P. Martineau, office expenses	36 81	
		A. & E. Cox, stationary	15 19	
		John Haller, axeman	20 13	
		F. Thruston, office rent, New Albany	60	
		D. W. Shryock, rodman	99	
		H. D. Henderson, senior rodman	114	
		L. Theikstein, junior assistant	178 66	
		Ira Welman, assistant	174	
		P. Martineau, senior assistant,	230	
		L. B. Wilson, resident engineer	375	
	31	John Margroff, junior rodman	29	
	April	6	Harvey Armstrong, axeman	5 63
		16	F. Truston, office rent, New Albany	63 25
	May	31	L. B. Wilson, resident engineer	375
			Wm. Bennett, junior rodman	51 62
		Wm. Tribolet, do	87	
		D. W. Shryock, rodman	114	
		H. D. Henderson, junior assistant	144	
		Ira Welman, assistant	174	
		P. Martineau, senior assistant	230	
		Mary Hoge, chairs for office	2 50	
		John M. Gordon, candles	2 50	
		John A. Graham, commissioner	222 22	
		H. P. Thornton, counsel fees	50	
		Hay & Rouse, printing	2	
		Aurora Yadlock, wood for office	1 50	
		L. B. Wilson, wood, candles and postage	11 75	
		do resident engineer	250 50	
			<hr/>	
			\$3,365 83	

1839.

Recapitulation.

Paid by Mr. Maxwell in last quarter of former board,

429

Paid by N. Noble, from March to 31st October,

1,990 50

Paid by J. A. Graham, do.

3,365 83

Total contingencies on Jeffersonville and Crawfordsville Road, from 1st December 1838, to 31st October 1839,

\$5,785 33

INDIANAPOLIS AND LAFAYETTE ROAD. .

Abstract of payments for contingencies on the Indianapolis and Lafayette road north of Crawfordsville, from 1st March to 31st October 1839 by Samuel Lewis, acting Commissioner.

1839.		
March 1	George W. Snyder, printing	25
	O. P. Jenison, stationary, office rent, wood &c. - - -	45
	A. Symmes, axeman	35
	A. F. Ball, rodman	99
	A. L. Haven, junior assistant	144
	James Johnston, junior assistant	192
	O. P. Jennison, resident Engineer	375
	Moses Hamer, axeman	81
May 31	A. L. Haven, junior assistant	144
	A. F. Ball, senior rodman	144
	M. Hamer, axeman	87
	O. P. Jennison, office rent, wood, stationary &c. - - -	30
June 28	John M. Wilt, clerk	114
Aug. 8	A. F. Ball, senior rodman	38
	(No payments in Sept. or October)	
	Total contingencies on Indianapolis and Lafayette road from 1st Dec. to 31st Oct. 1839. - - -	1,523

NEW ALBANY AND VINCENNES ROAD.

Abstract of payments for contingencies on the New Albany and Vincennes Road from 1st December 1838 to March 1839, by J. G. Clendenin acting Commissioner.

1839.			
Jan.	5	S. A. Rariden, junior assistant	144
		T. J. Barnett, counsellors	25
		Eleazer Peirce, rodman	99
		Joseph Potts, assistant engineer	144
		S. Milliken, wood	17 50
		G. Fausett, boarding locating party	19 81
		Robert M'Grew, printing	27
		Eleazer Peirce, rodman	99
		Andrew Wilson, provisions for party	24 27
		Alfred Bruner, axeman	1
		James Lindley, boarding party	9
		David Dayhuff, fuel	2
		Geo. Winson, repairing instruments	4
		Henry Miller, plank	1
		M. Sturgus, assistant engineer	32
		Joseph Potts, expenses of party	28 31
		John Brown, provision for party	23 14
		Isaac Pinnoek, axeman	5 25
		L. Montgall, axeman	3
		J. Truclblood, axeman	75
		J. Braxton, axeman	4
		A. Moulder, provisions	13 57
		Zachariah Moorman do	3
		J. G. Clendenin, commissioner	325 50
		do stationary, postage &c.	27 56
		do expenses at Indianapolis	20
		Mr. Frazer, expenses to Kentucky	30 38
			\$1,133 04

Abstract of payments for contingencies on the New Albany and Vincennes road, from 1st March to 31st October 1839, by John A. Graham, acting commissioner.

1839.	E. Peirce, rodman	-	-	27
March 19	Hays and Child, advertising	-	-	2 50
April 19	James Nance and Co., axeman's services	-	-	2 25
	Owen P. Owens, stationary	-	-	3 75
	A. and E. Cox, do	-	-	4 63
	Owen P. Owens, assistant engineer	-	-	269 60
	Mattingly and Green, printing	-	-	20
	Wm. Tribolet, chairs for office	-	-	3
June 20	John Frazer, resident engineer	-	-	208 33
	G. C. Smith, senior assistant	-	-	127 77
22	J. C. Cooper, chainman	-	-	9
	Geo. Fraim, axeman's services and stationary	-	-	20 81
	I. G. Campbell, surveyor	-	-	17 55
	B. F. Mears, boarding locating party	-	-	38 75
May 14	Cornelius White, office rent	-	-	11
	George Windsor, repairing instrument-	-	-	75
20	S. Brown, rod and target	-	-	2
	J. W. Clawson, ironing rod and target	-	-	1 50
31	S. A. Rariden, axemen	-	-	15 30
	do do	-	-	33 45
	John Hemer, rodman	-	-	40 15
	L. Theiksien, junior assistant	-	-	109 19
	S. A. Rariden, assistant	-	-	144
	B. F. Mears, boarding locating party	-	-	14
	D. Kemp, vane staff and target	-	-	2 50
	M. J. Sherman, senior rodman	-	-	72
June 10	M. A. Ruter, junior rodman	-	-	60 92
	J. Trueblood, boarding party and chainman	-	-	4
	David Sowder, chainman	-	-	1 50
22	Frederick, rodman	-	-	10 37
24	John Henner, for an axe	-	-	2 13
26	R. C. Best, axeman	-	-	8 25
	I. G. Campbell, surveyor	-	-	6 40
	F. Seward, senior assistant	-	-	184 10
2	Willam Kirby, junior assistant	-	-	144
	Benton and Walker, rollers and other castings	-	-	292 80
	S. Sattrethwaite, gearing and frames for rollers	-	-	76
4	W. H. Best, axeman	-	-	78 33
15	Francis Mayers, axeman	-	-	18
October 31	John A. Graham, commissioner	-	-	222 22
	do travelling expenses	-	-	15
				<hr/>
				\$2,324 80

Recapitulation.

Paid by Mr. Clendenin in last quarter of former board	- - - -	1,133 04
Paid by Mr. Graham from 1st March to 31st October 1839	- - - -	2,324 80
Total payments for contingencies on the N. Albany and Vincennes road from 1st Dec. 1838 to 31st Oct. 1839.		\$3,457 84

WABASH RAPIDS.

Abstract of payments for contingencies on the joint improvement of the Wabash Rapids from 1st Dec. 1838 to March 1839 by Thos. H. Blake acting commissioner.

1838.			
Dec. 16	P. S. Harrington, boatman	- - -	1
1839.	John Boudinot, wagon, team and teamster		133 57
	J. and T. Dowling, advertising	- - -	5
	Washington Riggins, waterman	- - -	1 50
Feb. 18	Edw. K. Smith, draughtsman, boarding	-	39
28	Alexander Cooper, junior assistant, boarding		39
	Edw. K. Smith, draughtsman	- - -	105
	Alexander Cooper, junior assistant	- - -	105
	D. Burr, resident engineer	- - -	500
March 3	Thos. H. Blake, commissioner	- - -	325 50
	do. carriage of maps from Rapids		50
			\$1,254 07
	Paid by Mr. Graham his salary as commissioner	- - -	222 22
	Total contingencies on Wabash Rapids from 1st Dec. 1838 to 31st Oct. 1839.	- - -	1,477 29

GENERAL CONTINGENCIES.

Abstract of payments of general contingencies of the Board of Internal Improvement from 1st Dec. 1838 to 1st March 1839, by D. H. Maxwell President.

1838.			
Dec.	8	Wm. J. M'Clure, office rent in 1837 for Mr. Pettit	91 50
1839.	28	Jas. Folden, saving wood for chief engineer	15 25
Jan.	5	J. L. Williams, chief engineer	250
		Arthur Johnson, services in searching for water lime	250
	7	John Parker, fuel for chief engineer	14
	10	do fuel for Board's office	18
	14	W. J. Brown, certified copies of acts	1 12
	15	Craig and Grant, advertising	20
	19	John Turner, repairing chimney in office	1 75
	30	J. B. Johnson, castings for locks on C. canal	8 96
Feb.	4	J. L. Williams, chief engineer	600
	23	Richard Clark, saving wood &c.	11
	28	Gales and Seaton, advertising in 1836	42 50
	"	T. A. Morris, travelling expenses to Madison	
	"	at sundry times	60 75
	"	L. B. Wilson, travelling expenses while locating New Albany and Vincennes road	77
March	1	James Morrison, secretary	241 78
	"	Morrison and Talbot, furniture for office	3 13
	"	Wm. Y. Wiley, stationary	3 53
	"	James Morrison, paid for office expenses	5 50
			<hr/> \$1.715 77

Abstract of payment for general contingencies of the Board of Internal Improvement from 1st March to 31st October 1839, by N. Noble President.

1839.			
March	4	J. L. Mothershead, candles	4 18
	5	R. and V. C. Hanna, stationary	2 25
	8	James Folden, fuel for office	3 50
April	12	John Cain, postage of chief engineer	24 50
		Stacy and Williams, field books for L. Lewis	15 37
		Wm. Y. Wiley, stationary for chief engineer	9 32
		W. J. and J. F. Brown do do	10 94
		C. Williams, pattern for rail road chain	1
		J. and P. Voorhies, transporting level	2 25
		Espy and Sloan, pattern for rail road chain	2
		L. Munsell, rain gague &c.	5
		C. and J. Cox do	1 87
		Ira Davis, stand for do	3
May	30	John Livingston, printing	15
		Augustus Platt, for 2 levelling instruments	250
	31	W. J. Proudfoot, draughtsman	135
		do do	39
		J. L. Williams, chief engineer	625
July	1	Espy and Sloan, furniture for chief engineer	31
	5	John Cain, postage for chief engineer	23 50
		Jacob Willets, printing	20 53
Aug.	12	Jennison and Slater, binding	2 75
March	13	W. J. Proudfoot, draughtsman	174
		J. M. Moore and Co. stationary	10 87
		S. Day, draughtsman and clerk	210 84
	16	Bolton and Livingston, printing	12
May	3	Morris Morris, Auditor for keeping accounts of internal improvement	187 50
June	11	Jacob Medary and Co. advertising	16
		Crosswell, Van Benthuyzen and Co. do.	31 88
		Douglass and Noel, advertising water power in Boston	8
	13	James Morrison, Secretary	150
		John Cain, postage for President of Board	25 52
	14	W. J. Brown, certified copies of acts and resolutions	10
July	9	Morris Morris, Auditor, keeping accounts	187 50
Aug.	31	J. L. Williams, chief engineer	625
Sept.	26	J. Cain, postage	37 90
			<hr/> \$2913 97

1839.

Recapitulation.

Paid by Mr. Maxwell, in last quarter of former Board,	1715 77
Paid by Mr. Noble from 1st March to 31st Oct. 1839. - - - - -	2913 97
Total payments for general contingencies from 1st Dec. 1838 to Oct. 1839. - - -	<u>\$4629 74</u>

RECAPITULATION.

Wabash and Erie Canal	7,880 44
Wabash Canal - - -	2,921 30
Erie and Michigan Canal - - -	4,465 19
Cross Cut Canal - - -	3,347 07
Central Canal - - -	11,036 57
White Water Canal - - -	7,689 13
Madison' and Indianapolis rail road - - -	8,943 76
Jeffersonville and Crawfordsville road . . .	5,785 33
New Albany and Vincennes road . . .	3,457 84
General contingencies - . .	4,629 74
	<u>\$60,156 37</u>
Wabash Rapids	1,477 29
	<u>\$61,633 66</u>

LIST OF BORROWERS

OF

SINKING FUND

AND

SURPLUS REVENUE.

FEBRUARY 18, 1840.

200 copies ordered to be printed.

Hon. James G. Read,

Speaker of the House of Representatives:

Herewith is a list of the borrowers of the sinking fund and surplus revenue, setting forth the date of the loan, the amount, and the residence of the borrower; except in some cases where the loans were made by Messrs. Scott and Morrison, and the counties not reported.

In each case of loan, the commissioner approving the mortgage has deemed the security sufficient.

For the first three years, the largest portion of the loans was made

in a few counties. There were several reasons for this state of things. These counties were most convenient for making applications; they did make applications, and gave good security; other counties neglected making applications, or sent up property valued at unreasonable prices, or there were difficulties in exhibiting clear titles.

The commissioners of the sinking fund were anxious to have the money bearing interest as soon as possible; they had given heavy security for the performance of their duty, and were deeply interested in its being *safe*. When they appointed agents, as they did repeatedly, in distant counties, the business was seldom properly attended to, and they thought the interest exacted, first eight, and then nine, was a sufficient compensation for the money.

When the third instalment of surplus revenue was to be loaned out, in the summer of 1837, they had notice that it would be paid over to them the first of July, and they immediately visited nearly half the counties in the State, so that the money might be loaned without delay; and they expected to visit the other half when the fourth instalment should be paid over, which was to have been on the first of October following. But the last instalment of the surplus revenue was never paid over.

For more than two years past, a preference has been given to applicants from counties to which few loans had been previously made. The new loans in other counties are merely the substitution of one mortgagor for another, which has been allowed at the office, as it gives 9 per cent. instead of 8. Several attempts have been made to impose upon the commissioners and defraud the fund. So far they have not succeeded, though there is one case about which there is some doubt, occasioned by a false certificate of the clerk. With proper watchfulness, it is believed no loss need be sustained.

I have the honor to be, &c.,

S. MERRILL.

Office of Commissioners of Sinking Fund, }
February 16, 1840. }

LIST OF BORROWERS OF SINKING FUND AND SURPLUS REVENUE.

Mortgager.	County.	Loan.	Date of Loan.
Lewis Mitchell	Marion	500	Nov'r 25, 1835.
I. N. & J. B. Phipps	"	500	"
Thomas M'Ouatt	"	500	"
John Cain	"	500	"
Nathaniel Bolton	"	500	"
Douglass M'Guire	"	500	"
Samuel Jenison	"	500	"
C. W. Van Houten	"	240	"
S. B. V. Noel	"	250	"
R. A. Taylor	"	400	"
Cornwell Meek	Hancock	500	Nov'r 28, 1835.
R. R. Underhill	Marion	500	"
Thomas O'Neal	"	500	"
James M. Crist	"	400	Nov'r 26, 1835.
Nathan Crawford	Hancock	500	Nov'r 25, 1835.
James & Nathaniel Henry	"	500	28, 1835.
Jonathan Dunbar	"	250	"
Ira Kingsbury	Hamilton	500	25
Geo. & James Anderson	"	300	Dec'r 2
Andrew Jackson	Madison	500	Nov'r 25
James Scott	"	300	"
David Buckhart	Marion	325	Dec'r 3, 1835.
Jacob Turner	"	500	Nov'r 25
Nathaniel Davis	"	350	Dec'r 4
Samuel Iles	Hancock	200	2
James Vest	Madison	250	Nov'r 25
John F. Ramsay	Marion	300	"
Bazil Meek	Hancock	500	Dec'r 4
J. E. Hocker	Boone	500	Nov'r 25
Loyal Fairman	Tippecanoe	400	Dec'r 1
John Eastis	Hancock	200	Nov'r 25
Daniel Harpold	Marion	320	"
R. N. Williams	Madison	500	"
M. H. Brown	Marion	500	Dec'r 3
John D. Thorp	"	500	"
Daniel Yandes	"	500	"
Homer Johnson	Hancock	350	Nov'r 25
James Blake	Marion	500	"
James Galletly	Owen	500	"
Craig & Eastis	Hendricks	200	Dec'r 7
Thomas H. Crawford	Marion	78 50	Nov'r 25
Archibald Cooney	Madison	500	"
David Fisher	Marion	175	Dec'r 11
C. and J. Clark	"	300	"

Mortgager.	County.	Loan.	Date of Loan.	
Wesley Smith	Boone	500	Dec'r	8
Henry Smith	"	500		5
James Casler	Hamilton	500		11
Samuel Dale	"	300		"
John D. Cottingham	"	500		"
Galbraith and Hornaday	Hancock	240		8
William Arnot	"	400		7
Dennis I. White	Marion	500		12
Cary H. Boatright	"	200		"
John A. Forsythe	Boone	400		"
J. & J. Weese	Hamilton	100		"
Philemon Shirley	Hancock	275		14
Isaac Travis	"	400		11
James Turner	Marion	500		14
Sebastian C. Fox	"	300		"
Samuel Moore	"	200		"
Nicholas Yount	Hendricks	150		12
Isaac Bassett	Marion	150		14
Henry Bradley	"	500	Nov'r	25
Samuel S. Brown	Boone	200	Dec'r	12
A. H. Longley	"	400		"
J. D. Stephenson	Hamilton	500		"
Haymond W. Clark	"	500		11
Samuel Heuston	Marion	500		16
Joel Blackledge	"	250		"
John W. Alley	Madison	300		11
Hugh McHenry	Boone	200		15
Ebenezer Harlock	Hamilton	300		16
Samuel Brown	Shelby	500		8
Peter Lenner	Hamilton	500		16
Hezekiah Pool	"	350		"
Hiram M'Qucety	Boone	200	Nov'r	25
James Parker	Hancock	500	Dec'r	11
Thomas Scott	Marion	500		10
Thomas Johnson	Madison	200	Nov'r	25
James M'Nutt	Hamilton	400	Dec'r	16
Isaiah M'Daniel	"	200		17
Karr and Granger	Hancock	200		10
Wharton & Blackmore	Jefferson	500		12
James E. Lewis	"	500		"
B. F. Morris	Marion	500		15
Thomas Gott	"	500		"
John Allison	"	450		16
Thomas J. Sharp	Hamilton	225		"
W. A. Holliday	Marion	500		19
Joseph R. Rhodes	"	325	Nov'r	25

Mortgager.	County.	Loans.	Date of Loans.
Joseph Kirkendoll	Hamilton	300	Dec'r 18
Benjamin Purdum	"	300	Dec'r 18
Thomas Hare	"	300	"
Samuel Dooley	Boone	250	13
Alex. Johnson	"	200	"
Judkins & Amick	Hancock	300	17
Thomas & Olvey	"	200	"
Robert Walker	"	200	"
William Smith	"	200	16
George Walker	Boone	500	14
Conrad Grindle	Hamilton	325	18
David Sloan	Marion	200	19
Waddle & Osborn	Hamilton	200	"
James Stoops	"	225	"
William Stoops	"	225	"
Arthur Hill	Marion	500	17
Henry Purcefull	Clinton	200	18
Arthur Carr	Hancock	200	17
David Matlock	Hendricks	500	19
Richard Robbins	Randolph	400	16
William Dickerson	Marion	325	"
William M'Ouatt	"	500	21
Galloway Finley	Boone	200	17
John Thorp	Hamilton	275	"
James Thorp	"	200	21
Reuben Hunt	Randolph	500	16
John M'Lane,	Hendricks	450	20
Howard Hunt	Randolph	200	17
William Martin	Hamilton	200	19
Matthew Kirkendoll	"	500	21
Lewis Oneal	Marion	500	16
Burchum & Purdu n	Hamilton	390	21
Finch & Davidson	"	200	"
John Renshaw	Madison	500	19
Moses Shawl	"	250	21
J. H. & L. D. Cook	"	200	"
Allen Cole	Hamilton	450	"
Mastin & Clark	Hendricks	362 50	"
John Hilliard	Hancock	200	22
William Tyner	"	500	16
John Doty	Madison	200	21
Glasgo & Perkins	"	175	23
John Matthews	Marion	500	21
William Gray	Boone	250	"
Brunigan & Cragan	Hancock	84	22
Ovid Pierson	"	500	"

Mortgager.	County.	Loan.	Date of Loan.
John Hadley	Hendricks	500	Dec'r 23
Stephen Carcy	Hamilton	250	21
William Conner	"	500	"
Samuel D. Hundley	Madison	450	22
Enoch M'Carty	Marion	400	23
Henry Stephenson	Boone	200	18
Aquilla M'Loney	Hancock	150	15
Isaac Arbigast	Madison	252	Dec. 6, 1836
Ovid Butler	Marion	450	"
James Myers	Boone	300	"
Henry Carroll	Hancock	500	"
William Allfont	Madison	240	"
Williamson Owens	Marshall	500	"
Sidney Williams	"	500	"
Wm. S. Hughey	Marion	300	"
Thomas Demoss	Hamilton	500	"
Benj. C. Plummer	Rush	300	"
Anthony Gardner	"	500	"
Edward Inlow	"	500	"
Charles Tyler	Montgomery	400	"
Joseph Keith	Boone	175	"
Joseph Black	Fountain	400	"
Henry P. Coburn	Marion	500	October 6
Aaron Anderson	Fayette	300	December 6
J. B. E. Reed	Marion	500	
Adonijah Morgan	Shelby	500	"
James Morrow	Hamilton	400	"
Hiram Hunt	Randolph	500	"
William Polke	Fulton	500	"
William L. Reynolds	Marion	300	"
James M'Ilvaine	"	500	"
James H. Cochran	Hamilton	500	"
William McCarty	Madison	500	"
Daniel Heaton	Decatur	500	"
David Hillis	Jefferson	500	"
Jackson Thompson	Rush	200	"
Abner Sanborn	Boone	500	"
William L. Matlock	Hendricks	500	"
Seton W. Norris	Marion	500	"
Hugh M'Henry	Boone	300	"
James T. Reed	Hancock	200	"
James G. Barton	Marion	100	"
Isaac Ploughe	Rush	400	"
Peter Schroeder	Marshall	500	"
Adam Venedge	"	500	"
J. L. and J. E. Woodard	"	300	"
Jacob Winter	"	500	"
Enos Ward	"	500	"
Oliver Rose	"	500	"

Mortgager.	County.	Loan.	Date of Loan.
G. S. Cleaveland	"	500	Dec. 16, 1836.
Elias Poston	Rush	500	"
Abraham D. Amos	"	500	"
Stephen Cook	Marion	500	"
Micajah Rust	Morgan	400	"
Adam G. Polke	Fulton	500	"
John B. Niles	"	500	"
Benjamin C. Polke	"	500	"
John L. Richmond	Marion	500	"
Elijah Patterson	Hamilton	300	"
Babcock and Jones	"	200	"
James Alexander	Hancock	225	"
Elias Gardiner	"	200	"
Wm. Montgomery	Shelby	500	"
Luke Munsell	Marion	400	"
Archibald Hillis	Putnam	250	"
John Sims	Morgan	500	"
H. R. Stevenson	"	500	"
James Mahan	Rush	500	"
Joshua Harris	Madison	360	"
Samuel Jessup	Hendricks	300	"
William Leech	Rush	300	"
Daniel Covert	Johnson	500	"
Andrew M'Intire	Clinton	500	"
Wm. R. Newbold	Rush	500	"
Landon Gardner	"	500	"
Thomas Henderson	Johnson	500	"
Robert Gardner	Rush	300	"
Wm. and Samuel Power	Marion	300	"
Daniel Gorman	Rush	300	"
John Lister	Fayette	500	"
Hugh Dickey	"	500	"
Samuel Grimes	Carroll	500	"
Bridget Collins	Hendricks	500	"
James Thompson	Montgomery	500	"
Wm. M. Wynkoop	Clinton	500	"
John H. Gallaher	"	300	"
Hyacinthe Lasselle	Cass	500	"
Isaac Hilligoss	Rush	500	"
David Hilligoss	"	500	"
Isaac N. Elsbury	Johnson	400	"
Thomas Bell	Madison	500	"
Baldwin Parson	Tippecanoe	500	"
John Sherry	"	500	"
Jacob Sherry	"	500	"

Mortgagers.	County.	Loan.	Date of Loan.
Montgomery Sherry	"	500	Dec. 6, 1836.
William M. Sherry	"	500	"
Jesse Sherry	"	500	"
John M'Kinney	"	500	"
Abraham Morgan	"	500	"
Henry Doubleday	"	500	"
Halbrook and Brown	Shelby	450	"
Garret Teymour	Tippecanoe	500	"
Richard G. Parris	Clinton	400	"
Abner Caldwell	Marshall	350	"
Michael Shore	Fulton	400	"
William M. Kenton	White	500	"
George and John Nipp	Rush	400	"
Samuel E. Edwards	Morgan	440	"
Charles I. Hand	Marion	200	"
Nicholas Amos	Rush	500	"
Robert Pharres	Shelby	500	"
David Shelby	"	500	"
Jonathan Bishop	Rush	500	"
David Orsborn	Hamilton	400	"
Nathan Bales	"	300	"
William Crist	Marion	500	"
Peter Dewit	Shelby	400	"
Benjamin Walker	Madison	333	"
John Derickson	Shelby	325	"
Israel H. Cox	Tippecanoe	300	"
James Duncan	Putnam	400	"
Henry Jones	Hamilton	400	"
John Test	Montgomery	400	"
Thomas Brown	"	400	"
John Andrew	Boone	300	"
Stephen Titus	"	500	"
William Denny	Montgomery	300	"
Joshua Hudson	Marion	200	"
William Savatier	Hendricks	100	"
Benjamin Henkle	Tippecanoe	500	"
Morgan Shortridge	"	500	"
John Bell	Rush	500	"
Train Caldwell	Fayette	500	"
W. B. D. Maxwell	Clinton	500	"
J. M. Ray	Marion	500	"
Henry C. Stewart	Clinton	250	"
Ransom Slater	Putnam	500	"
Nathaniel Leonard	Henry	300	"
S. Merrill	Marion	500	"
John L. Ketcham	"	500	"

Mortgagers.	County.	Loan.	Date of Loan.
Thomas Williams	Johnson	500	Dec. 6, 1836.
Thomas Packard	Marshall	500	"
Jesse Roberts	"	500	"
Samuel Black	Tippecanoe	500	"
Joseph M. Moore	Marion	500	"
V. C. Hanna	"	500	"
James Catterson	"	500	Feb. 25, 1837.
John J. Graham	Morgan	500	"
Jonathan Dunbar	Hancock	250	"
Joseph Beeler	Marion	500	"
L. H. Emmons	Hamilton	225	"
William Williams	Morgan	500	"
James M. Mitchell	"	500	"
Wm. R. Chapman	Boon & Marion	400	"
Wm. A. Emmons	Hamilton	200	"
Ross and Ridgway	Hamilton	300	Feb. 25, 1837.
Robert Polke	Fulton	500	Dec. 6, 1836.
Charles G. Russell	Marion	500	"
Joshua Jones	Rush	200	"
Joseph Wilson	Jefferson	450	"
John Sering	"	500	"
J. F. D. Lanier	"	500	"
W. G. Wharton	"	500	"
Isaac Lawrence	Montgomery	500	"
Stanly Cooper	Rush	500	"
John Colip jr.	Hamilton	500	Feb. 25, 1837.
Harry Perry	Marion	200	"
Dr. S. & Stephen Masters	Hamilton	500	"
Iry Stout	Morgan	500	"
James G. Brown	White	500	"
Alex. M'Allister	Cass	500	"
Michael Brand	Laporte	500	"
Benj. Reynolds	White	500	"
George W. Shearer	Marion	400	"
Dr. F. P. M. Thomas	Clinton	350	"
Sampson Alley	Decatur	500	"
W. H. Richardson	"	500	"
Shawhan and Copsey	Rush	300	"
Jacob Shank	Shelby	300	"
Isaac Cook	Clinton	500	"
Jesse Cook	"	500	"
Joseph T. Higley	Shelby	455	"
David Knight	Morgan	200	"

Mortgager.	County.	Loan.	Date of Loan.
James Currier	Marshall	500	Dec. 6, 1836.
D. D. Gitchell	Elkhart	500	"
Andrew Collins	Jefferson	500	"
William Dutton	"	500	"
William Shimmin	Laport	500	"
John Peck	Marion	250	"
William Thornberry	Shelby	500	Feb. 25, 1837.
Mitchell and Luwellyn	Marion	125	"
Patsy B. Bowie	"	250	June. 7, 1837.
Jesse Rider	Tippecanoe	500	Dec. 6, 1836.
Elias Eesra	"	500	"
A. C. Griffith	Jackson	500	"
Hannah Thompson	Hamilton	275	July 1, 1837.
Eli Armantrout	Clinton	500	"
Jacob Boon	Marion	225	Dec. 6,
Thomas I. Turner	Laporte	500	Oct. 1,
Beverly Simpson	"	500	Jan. 4, 1838.
Joseph C. Orr	"	400	1,
William Hawkins	"	500	11,
John J. Wilson	Marion	100	Dec. 6, 1837.
Geo. S. M'Coy	Decatur	500	"
Daniel Bledsoe	"	500	"
James W. Owen	Marshall	200	"
Nathaniel Cox	Marion	300	"
D. C. Hultz	Marshall	300	"
Lewis Morgan	Shelby	500	Jan. 31, 1838.
Cumberland Stevens	Marion	250	"
Nathan Laughlin	Morgan	500	29
Martin Martindale	Marion	200	Feb. 10
Joshua Headlee	Rush	200	3
H. H. Hunt	Hancock	500	"
Arthur M'Clure	Laporte	500	Dec. 25, 1837.
James Blair	Porter	500	July 1
Grove Pumroy	Marshall	500	Feb. 3, 1838.
Daniel Shaffer	Fountain	400	Jan. 22,
John Miller	"	250	Feb. 9,
Alex. Chamberlain	Fulton	500	Dec. 6, 1837.
J. B. M'Chesney	Marion	500	"
David Raules	Fountain	350	Feb. 9, 1838.
Alfred Vinnedge	Marshall	500	Dec. 6, 1837.
Erasmus Powel	Shelby	500	Jan. 31, 1838.
Fox and Smith	"	288	Feb. 20,
Andrew B. Noble	Rush	200	July 1, 1837.
Hans Peters	Porter	500	"
Rylan P. Brown	Fayette	500	March 1, 1838.

Mortgager.	County.	Loan.	Date of Loan.
Robert Mitchell	Franklin	125	Feb. 28,
Elias Brock	Clinton	500	Feb. 3, 1838.
James Moore	Marshall	500	Dec. 1, 1837.
Henry M. Collins	Morgan	400	Feb. 20, 1838.
Philip Collins	"	240	"
Andrew M. Stotts	"	400	"
Samuel Gregory	Marshall	500	
Elijah Vice	Hancock	100	3
Nathanial Vice	Marion	100	March 1,
Zadoc Coverdale	Hamilton	300	"
David Rowles	Fountain	300	"
John Congle	Marshall	312 50	Feb. 3
George W. Owens	"	350	March 1
John A. Boots	"	200	
E. B. Hobson	"	312 50	"
John W. Bunnell	White	500	"
Isaac Vinson	"	225	March 1, 1838.
S. P. Whitman	Morgan	125	15
Judah Laming	Laporte	500	1
Jacob Miller	"	500	1
Jacob Bozarth	Fulton	225	April 3
Thomas Clawson	Warren	500	March 1
William Herrington	"	500	"
M'Cormick & M'Chesney	Laporte	500	16
Daniel Coleby	Jefferson	500	May 12
Samuel Craig	Decatur	400	March 1
Christian Parker	Morgan	225	"
Howard Mason	Laporte	500	"
William Denton	White	450	"
James O. Denton	"	300	"
Jacob Clem	Warren	500	"
R. N. Williams	Madison	500	May 22
Ninevah Berry	"	350	April 16
Willis G. Atherton	"	350	May 22
Charles M'Clure	Laport	400	23
Robert Halliday	Fulton	500	April 11
C. L. Niccum	"	100	12
Thomas Erskine	Marshall	400	March 1
Burwell Spurlock	Laporte	500	March 1, 1838.
John Davidson	Fulton	500	"
Lot N. Bozarth	"	150	"
Kline G. Shryock	"	170	April 13
Jeremiah Beck	Elkhart	450	Feb. 3
David S. Beatty	Franklin	400	May 14
Henry P. Davis	Madison	150	25
Corman, Young and Chap-	"		

Mortgager.	County.	Loan.	Date of Loan.
man		1350	"
John Vawter	Jennings	500	March 1
Smith Vawter	"	500	"
Milton Sloan	Decatur	400	"
Bennet Smallwood	Laporte	500	Jan. 19
James S. Lovejoy	Decatur	500	June 23
Henry Ramel	Hendricks	300	July 1
Amzi Clark	Laporte	500	April 16
E. H. Bennet	"	400	Jan. 16
Jesse Johnston	Porter	400	June 23
Joseph Quinn	Shelby	250	July 1
James H. Barnes	Elkhart	500	"
Joseph H. Dufrees	"	400	"
David G. Rose	Laporte	500	June 23
John A. Saidlee	Montgomery	300	30
Lewis Manning	Laporte	500	Dec. 20 1837.
Isaac Templeton	Warren	500	July 1 1838.
John Foster assignee	Marion	500	Aug. 23 1838.
Henry Benton	Morgan	225	July 1
William Forsythe	Marion	150	Aug. 25
Daniel Myers	Clinton	200	20
Wm. H. Patterson	St. Joseph	250	27
F. P. Harrison	Laporte	500	1
Wm. R. Chapman	Hancock	100	July 16
A. C. Hickman	Marshall	300	1
William Lanter	Decatur	500	June 23
Jesse B. Fugate	"	500	"
Isaac Critser	Fulton	100	March 1
Eli Sulgrove	Marion	363	Nov. 17
George Bishop	Hamilton	300	20
Henry Drill	Bartholomew	500	Oct'r, 1, 1837.
John Moss	Madison	500	Nov. 20, 1838.
Daniel Heaton	Boone	400	"
Elizabeth Holliday	Marion	500	27
Joseph Lowe	Rush	500	6
Wm. L. Eldridge	Cass	500	20
William Sheets	Marion	500	Dec. 6
James Eward	Decatur	500	1
Asa Cooper	Hancock	200	7
Samuel Ward	Cass	500	Nov. 20
M. C. Jordan	Jackson	500	Dec. 6
Holsworth Berry	Rush	400	22
Madison Webb	Marion	200	Jan. 5, 1839.
Susannah Howard	Hancock	150	Dec. 17, 1838.

Mortgagers.	County.	Loan.	Date of Loan.
Jacob Miller	Warren	500	Jan. 2, 1839.
Prior Rigdon	Rush	500	Dec. 22, 1838.
David Stutsman	Hendricks	80	Jan. 3, 1839.
Benjamin McClure	Marion	500	16
George R. McGee	Decatur	200	12
Joseph McClure	Marion	500	22
William Martin	"	500	"
Owen E. Orsborn	Grant	200	15
Ezekiel Parish	Fayette	500	25
Hugh Miller	Fulton	400	Dec. 1, 1838.
Levi Trowbridge	Fayette	500	Feb. 9, 1839.
Miles S. Henry	Laporte	500	Jan. 30
Joseph S. Steele	Fulton	240	Feb. 13
Edmund S. Organ	Laporte	500	Nov. 24, 1838.
Christopher McClure	"	500	"
Loyal L. Westbrook	"	500	"
Samuel Beurson	"	500	"
Simon Smock	Marion	100	Feb. 25, 1839.
William K. Talbot	Porter	400	Jan. 29
J. S. P. Boyd	Rush	500	Feb. 13
David Hurlburt	Porter	137 50	Dec. 1, 1838.
Griffin Hurlbert	"	112 50	"
John Jamison	Marion	400	Feb. 18, 1839.
John Elder	Marion	500	Feb. 16, 1839.
Ruel Reagon	"	300	19
Elizabeth Fisher	"	500	23
Moses Barker	Johnson	70	16
James Wilson	Wabash	250	15
John Hunt,	Jasper	500	25
Sophia Clarkson	Fountain	500	"
Peter Price	White	400	"
Jacob Johnson	"	250	"
Zebulon Sheets	"	342	"
John Phillips	"	200	"
D. M. Tilton	"	200	"
David Burky	"	200	"
John Wilson	"	300	"
John Wilson	"	250	"
Isaac Reynolds	"	320	"
Nathan Bullock	Decatur	500	March 2
Henry Frederickson	Laporte	500	Feb. 29
William Huffman	Decatur	500	Dec. 29
Daniel A. Allen	Shelby	500	Feb. 25
Jeremiah Banning	Elkhart	500	"
James Loyd.	Decatur	500	March 4
Thos. I. Story	Jennings	500	Feb. 25, 1839.

Mortgages.	County.	Loan.	Date of Loan.
Sheets & Grover	Jefferson	1,000	March 8
William Leaf	Marion	250	April 3
Henry Dillingham	Porter	450	Feb. 25
A. Craigmiles	Decatur	500	March 2
A. C. Dement	Shelby	200	Feb. 25
Benjamin Bennet	Kosciusko	500	"
William Cook	Martin	500	"
Henry McCracken	Morgan	300	April 10
Trustees Wabash College	Montgomery	8,000	May 7
Daniel Stuck	Marion	300	16
Jefferson Russell	"	150	"
Basil Brown	"	500	"
Greensbury Rush	Rush	400	April 1
Randolph Brearly	White	500	Feb. 25
Gamaliel Davis	Warren	500	Mar. 8, 1839.
Joshua Wallace	Fayette	500	May 23
John Beck	Kosciusko	400	Feb. 25
Alexander Wilson	Marshall	500	May 2
J. F. D. Lanier and others	Jefferson	500	
Stephen Crane	Marion	500	May 23, 1839.
John M. Jamison	Boon	300	31
Ephraim S. Muirhead	Kosciusko	500	4
John Rowland	Bartholomew	500	21
Green Barron	Hamilton	200	April 10
Ebenezer Dumont	Dearborn	500	May 29
John Fowler	Decatur	300	10
Isaac Smock	Johnson	500	18
Garrard Morgan	Decatur	500	June 9
James Slack	Delaware	500	May 20
Twining & Littlejohn	Jefferson	1,000	30
W. A. Waters	Jasper	300	31
Henry Ward	Kosciusko	500	April 12
David Watson	Decatur	500	March 1
Richard R. Dixon	"	500	June 19
Clinton Foster	Laporte	500	5
John Wright	Hendricks	150	12
Joseph I. Stretcher	Marion	150	24
Eleazor Coffee	Delaware	500	"
Robert Samuel	Marion	500	29
Francis C. Downing	Boone	150	19
W. V. Cheek	Dearborn	500	July 1
William Dils	"	500	"
Talitha Bodkin	Marion	500	2
John Sebern	"	300	1
D. Buchanan	"	250	"
John Richey	"	150	"

Mortgagers.	County.	Loan.	Date of Loan.
William Irwin	Hamilton	200	"
Joseph Clark	Decatur	500	June 10
William Groom	White	333	"
William Carmack	Laporte	500	25
Frederick Huffinan	Montgomery	500	29
Geo. W. Miller	Decatur	250	July 3, 1839.
Solomon Cook	Marion	150	1
Jesse Oakman	Floyd	500	May 20
Benjamin Harper	Montgomery	300	June 10
Saml. M. Finley	Laporte	400	Jan. 30, 1839.
Henry Rinker	Porter	400	June 10
William Johnson	"	400	"
Fifield and Tinker	Johnson	150	July 1
Thomas & John Stangle	Fayette	500	5
T. D. & E. L. Paine	Jefferson	1,000	April 10
J. L. White	"	500	June 22
Chappell & Dobbins	Hancock	200	Aug. 10
Anthony Torbert	Laporte	400	May 17
Wardens & Vestry, ep. ch.	Marion	500	Aug. 10
R. Hanna	Marshall	175	24
Thomas Hatfield	Marion	375	26
Samuel Crossen	Kosciusko	500	April 12
John Heiner	Marion	500	July 1
I. W. McKennon	"	250	Oct. 4
Thos. I. Todd	Johnson	300	Sept. 30
Caroline Colby	Jefferson	500	10
James Kitleman	Marion	300	Nov. 19
William Stapp	Jefferson	500	Sept. 19
Oswald & Rothe	Hancock	500	Nov. 22
Jeremiah McClerney	Marion	300	Dec. 5
Martin R. Green	Switzerland	400	Oct. 19
Joseph Chambers	Knox	500	Dec. 1, 1839.
Charles Whitehead	Marion	350	Feb. 3, 1840.
Massena Cone	Marshall	300	8,
Benjamin Morgan	Marion	200	July 1, 1839.
John Stephens	Madison	300	"
John McCullum	Marion	400	"
John L. Young	"	500	"
Edward Railsback	Hendricks	400	"
John Shearer	Marion	100	"
James Downing	Boone	500	"
Richard Corson	Shelby	400	"
Jacob Merkle	Carroll	500	"
George Merkle	"	500	"
Samael M. Orchard	Monroe	350	"
Cochran and Deming	"	300	"

Mortgrger.	County.	Loan.	Date of Loan.
Feildin Bowles	Marshall	500	July 1, 1837.
Z. Williams	Monroe	250	"
J. H. King	"	300	"
W. S. Wright	"	250	"
John W. Hyneman	"	250	"
James C. Day	"	200	"
Moses Hall	"	200	"
A. Kirbey	"	500	"
Mark Hardin	Hendricks	400	"
Newton Claypool	Marion	500	"
Joseph Griffith	Marshall	500	"
Isaac Trotter	Hendricks	500	"
E. and H. Davis	Marion	500	"
Albro Leach	Marshall	500	"
Harry Pierson	Hancock	500	"
William Dinwiddie	Laporte	500	"
Andrew Burnside	"	500	"
Nathan Porter	"	500	"
G. A. Rose	"	500	"
W. R. Leisure	Rush	200	"
Benjamin Fields	Shelby	200	"
Eli Stanson	Rush	250	"
Richard Biddle	Putnam	500	"
R. L. Farnsworth	Marshall	500	"
Joseph Johnson	Marion	500	"
T. R. Wheeler	"	350	"
Jacob Rice	Shelby	500	"
David Fox	Hendricks	400	"
John Allen	Shelby	500	"
Balis Coats	"	500	"
James Woodward	"	500	"
Thomas Leonard	Henry	500	"
John Hollingsworth	Hendricks	400	"
E. K. Foster	Marion	500	"
George Winter	Morgan	500	"
Thomas Hendricks	"	500	"
Isaac Coleman	Warren	250	"
L. West	Fountain	500	"
John Morris	Marion	500	"
John Herriott	Johnson	500	"
J. Griffith	Shelby	200	"
S. B. Patterson	Marshall	260	"
Ditto Amos	Shelby	200	"
Nathon Elliott	Boone	500	"
Joseph M. Sims	Shelby	400	"

Mortgagers.	County.	Loan.	Date of Loan.
E. Barratt	Shelby	225	July 1, 1837.
Job Worth	"	500	"
Zeno Barnard	"	175	"
Moses Coffin	"	350	"
Margaret Smith	Marion	200	"
Thomas N. Thomas	"	200	"
Peter Winlow	Henry	250	"
W. D. Hardin	"	500	"
James Holsclaw	"	500	"
J. L. McKinney	Montgomery	500	"
Leroy Mayfield	Monroe	500	"
John Orchard	"	500	"
Rachel Wright	"	500	"
John W. Hyneman	"	250	"
Reuben Coffey	"	500	"
Lewis Raines	"	250	"
C. Mershom	"	500	"
Z. Williams	"	250	"
J. Legg	"	500	"
Vance Jones	"	500	"
D. Browning	"	200	"
D. Pickerell	Hamilton	350	"
Peter Flanagan	"	200	"
B. R. Warmsley	Morgan	500	"
Eli Jones	Shelby	500	"
W. E. Seargent	"	500	"
S. M. Farnsworth	Marshall	500	"
Hare and Ridgway	Hamilton	350	"
Asa Koons	Morgan	200	"
John Ulrey	Shelby	200	"
James K. Sleeth	"	200	"
Samuel True	Marion	380	"
George W. Todd	"	400	"
James Downard	Hendricks	500	"
John Mars	Marion	250	"
Voorhes Conover	Shelby	500	"
Alfred E. Teal	"	500	"
Eden Shotwell	Laporte	500	"
John Jenison	Marion	500	"
Anthony Williams	"	300	"
John Miller	Hamilton	450	"
William Cox	Shelby	500	"
Joseph F. Boggs	"	500	"
Andrew Jones	"	200	"
George Golding	"	400	"

Mortgager.	County.	Loan.	Date of Loan.
Dewit and Peters	Shelby	350	July 1, 1837.
Zaccheus Bennet	"	350	"
Adam Thomas	Montgomery	450	"
Joseph M'Jimsey	"	450	"
Ede Watts	Marion	200	"
John Moore	Hamilton	360	"
James Bates	Shelby	400	"
Charles Freels	Hamilton	350	"
George W. Young	Shelby	500	"
Seth Lowe	Decatur	500	"
John B. Adams	Putnam	275	"
Caleb Saunders	Shelby	400	"
P. Allbaugh	Putnam	500	"
Thomas Wheatley	Rush	500	"
John Dyer	Morgan	400	"
John Hunt	Hancock	500	"
S. B. Staunton	Shelby	250	"
Peter Waltz	Madison	500	"
Richard Mann	Decatur	300	"
Thomas Ramsey	Marion	200	"
Micajah Jackson	Morgan	80	"
Thomas C. Hopper	Shelby	180	"
William F. Morgan	"	450	"
R. A. Taylor	Marion	400	"
Thomas Hoagland	"	175	"
Thomas J. Lindsay	Boone	150	"
Thomas Burke	Morgan	300	"
Martin Davis	Hamilton	250	"
Edward Strange	Hendricks	500	"
Samuel Goldsbury	Marion	500	"
Ezekiel Hornaday	Hendricks	300	"
William Gregory	Morgan	500	"
John Cristman	Boone	350	"
John Galvin	Hendricks	500	"
Wm. McLaren	Marion	250	"
D- M. Anthony	Hamilton	250	"
William Arnold	Marion	200	"
Robert Williams	Putnam	225	"
Thomas Maxwell	Morgan	200	"
James Edwards	Shelby	500	"
Samuel Morrison	"	500	"
A. Alldridge	Marion	500	"
J. N. Phelps	Crawford	500	"
William Course	"	250	"
J. K. Leaming	Hamilton	500	"

Mortgager.	County.	Loan.	Date of Loan.
Jonathan Carr	Morgan	350	July 1, 1837.
Joshua Muncy	"	120	"
J. L. Kimberlin	Hamilton	300	"
Jesse Frazier	Marion	500	"
Moses Linville	Shelby	300	"
George Lockerbie	Marion	500	"
Joshua Evilsizer	Morgan	187 50	"
Samuel Henderson	Marion	500	"
Eliakim Arhton	Laporte	500	"
William Moody	Rush	300	"
William Farrow	"	400	"
Robert C. Brown	Putnam	500	"
Benjamin N. Hunt	Randolph	358	"
Daniel Hare	Hamilton	400	"
Enoch Graham	Morgan	400	"
George W. Olds	"	225	"
John Robb	"	150	"
Edward Cox	Shelby	200	"
William Golding	"	240	"
Lathrop Frances	"	200	"
R. B. Hanna	Marion	500	"
S. Evans	"	400	"
M. Given	"	500	"
Giles Mitchell	Morgan	500	"
Colvill & Peck	Rush	300	"
Peter Gay	Clinton	500	"
William F. Peterson	Cass	500	"
Nathaniel Bell	Clinton	200	"
Andrew Prather	Hendricks	300	"
Drury L Wall	Hancock	500	"
Samuel Walker	Shelby	500	"
David Thacker	"	364	"
Thacker & Walker	"	500	"
R. S. Cummins	"	400	"
James Talbot	Hendricks	500	"
Lot Green	Rush	400	"
Garret Hayden	Hendricks	500	"
J. W. Swaim	Shelby	200	"
O. S. Swaim	"	200	"
F. Vanvoast	"	500	"
T. & J. Vernon	"	360	"
Wm. H. Payne	Hancock	350	"
Joseph Mathers	"	300	"
H. Rockafella	"	200	"
C. Meek	"	500	"
J. B. F. & S. Alter	"	400	"

Mortgager.	County.	Loan.	Date of Loan.
Ephraim Biggs	Shelby	500	July 1, 1837.
Samuel Brown	Marion	280	"
James Johnson	"	500	"
Fletcher & Bradley	"	500	"
S. A. Fletcher	"	500	"
W. S. Crawford	Hendricks	350	"
John Durham	Morgan	325	"
Benjamin Sweet	"	500	"
Benjamin Bradley	"	500	"
Anderson Keith	Shelby	500	"
A. St. Clair	Marion	500	"
William Zion	Boone	400	"
Zachariah Gapin	"	400	"
David Carr	Hancock	200	"
L. B. Webster	Laporte	500	"
John Hobson	"	500	"
John Crill	Clinton	500	"
Garret Cozine	Hendricks	300	"
John M'Gee	Rush	400	"
Wm. T. Slane	"	500	"
L. Chittenden	Hancock	400	"
Edward Anderson	"	200	"
Levi Walters	Morgan	337 50	"
P. B. M'Coy	"	375	"
Thomas M. Graham	"	360	"
Adam Rainbolt	Boone	500	"
W. Stephenson	Clinton	400	"
R. Stephenson	"	250	"
O. B. Worth	Rush	300	"
William Worth	"	300	"
John W. Macy	"	500	"
Benjamin Sampson	"	250	"
B. Cole	Hamilton	500	"
J. M. Harris	Boone	400	"
Asa Anderson	Hancock	250	"
George Roads	Hendricks	200	"
Hiram Norman	"	400	"
John Gorch	Morgan	260	"
John Carter	"	500	"
J. M. Shauham	Rush	500	"
George Taque	Hancock	500	"
Seth Tibbetts	Rush	500	"
Wm. G. Maughan	Putnam	300	"
William J. Brown	Marion	500	"
M. T. Bridges	Putnam	500	"
William Banks	"	500	"

Mortgager.	County.	Loan.	Date of Loans.
Lucius Burke	Morgan	400	July 1, 1837.
J. L. Day	Marion	200	"
James Wilson	Rush	250	"
John H. Rober's	Putnam	500	"
Mary Cunningham	"	500	"
L. R. Chapin	"	500	"
W. J. Elder	"	500	"
James Allen	"	400	"
Abel Tyler	"	250	"
John Spencer	"	150	"
James Christy	"	500	"
Edwin White	"	500	"
Williams & Brown	"	500	"
William C. Sellers	"	400	"
Aaron Myers	"	300	"
Reuben Macy	Rush	400	"
Jno. K. Kennedy	Hancock	500	"
John Huston	Shelby	200	"
Martin Houseman	Laporte	500	"
S. & J. Winchell	"	500	"
A. King	Rush	500	"
George L. Gorham	Marion	300	"
William Wood	"	225	"
Alfred Frazee	"	500	"
Elizabeth Frazee	"	500	"
Kirk & Fearnly	"	200	"
John Cain	Madison	500	"
E. Isenhower	Morgan	280	"
M. W. Hensley	Putnam	500	"
Standiford & Sigler	"	500	"
James M. Grooms	"	500	"
James W. M'Nary	"	200	"
Jno. Standiford	"	300	"
Joseph Collier	"	500	"
Jefferson Walls	"	300	"
S. Taylor	"	500	"
M. Wilson	"	500	"
B. Bridges	Hamilton	450	"
B. L. Crothers	Marion	500	"
John E. M'Cluer	"	500	"
A. G. Willard	"	500	"
P. Rodgers	Rush	300	"
E. Shirley	Boone	200	"
W. A. Doble	Shelby	500	"
George Death	Rush	300	"
John Johnston	Marion	400	"

Mortgager.	County.	Loan.	Date of Loan.
Jno. M. Gwin	Bartholomew	500	July 1, 1837.
James Treadway	"	500	"
George H. Roland	"	500	"
D. Rudisill	Putnam	500	"
Alex. Harbisson	"	250	"
O. Tallbot	"	500	"
James Yowell	"	350	"
Aquilla Talbot	"	500	"
M. Yewell	"	500	"
D. Harrah	"	500	"
D. Sigler	"	200	"
William Mills	"	500	"
Jesse Moore	"	300	"
D. F. Arnold	"	500	"
P. W. Seibert	Marion	450	"
Jonas Clark	Laporte	500	"
F. G. Kendall	Carroll	500	"
Hiram Brown	Marion.	500	Dec. 20, 1835.
Noah Noble	"	500	Nov. 25
Jacob Shaul	Madison	500	Dec. 28
Abraham Blake	"	300	"
Aaron Shaul	"	200	22
David Prunty	Henry	550	"
Charles L. Williams	Boone	200	"
William Jones	Marion	350	24
W. H. H. Salor	Rush	200	22
Aaron Frazee	"	200	19
John Higgins	Hendricks	200	23
David Hennicks	Rush	500	22
George W. Salor	"	200	"
Ephraim Frazee	"	200	"
Benjamin Crews	Boone	500	21
David Crews	"	400	"
William Swafford	Henry	250	15
Isaac Keith	Putnam	350	21
John C. Wingate	"	375	"
Henry Brady	Marion	300	"
Nicholas Seybert	Madison	240	23
Alfred Makepeace	"	150	25
Amassa Makepeace	"	500	"
Frederick Jackson	Hancock	500	24
Ephraim Hughes	Madison	315	25
John Hunter	Hancock	250	21
George Smith	Madison	225	25
Thos J. Rutter	Hancock	300	Nov. 25
Gilbert Kemp	Hamilton	500	Dec. 16

Mortgagers.	County.	Loan.	Date of Loan.
Robert Brown	Shelby	500	10
Nehemiah Smith	Marion	300	21
Griffin Treadway	Laporte	500	Jan. 1, 1836.
John M. Westerfield	Rush	200	Dec. 22, 1835.
John Hill	Marion	200	Jan. 5, 1836.
Alphonso H. Bryant	Johnson	325	"
James Griswold	Marion	500	1
Cook & Bell	Madison	500	Dec. 21, 1835.
Elijah McBride	Marion	150	Jan. 5, 1836.
Jonathan Schofield	"	500	6
Jackson & Mangle	Madison	500	Dec. 29, 1835.
Enos Stafford	Randolph	200	25
George Scott	"	163 04	"
Isaac Coe	Marion	500	22
Thos. Gileland	Hendricks	200	Jan. 7, 1836.
Thos. B. Johnson	Marion	500	Dec. 14, 1835
R. A. Stubblefield	"	500	"
B. I. Blythe	"	500	22
A. W. Harrison	Laporte	500	29
Alfred Harrison	Marion	250	Jan. 9, 1836.
H. G. Larimore	Rush	300	4
Daniel Hall	"	500	"
Andrew Fryberger	Hamilton	200	5
Simon Hancock	Hendricks	250	4
Robert Reagon	"	200	"
Stephen Moore	Fayette	500	Dec. 25, 1835.
William Lane	Boone	400	Jan. 13, 1836.
Henry Porter	Marion	500	18
Henry Wyman	Madison	332	Dec. 26, 1835.
Thomas Jenkinson	Hancock	200	Jan. 9, 1836.
H. M. Woodyard	"	450	"
T. A. Morris	Marion	500	Dec. 22, 1835.
Morris Morris	"	500	"
Elihu Long	Boone	500	Jan. 15, 1836.
A. W. Morris	Marion	500	1
Henry Myers	"	400	19
A. H. Russell	"	500	"
Isaac Coleman	Fountain	500	Dec. 16, 1835.
George Darnale	Hendricks	250	Jan. 4, 1836.
Gardiner Goldsmith	Hamilton	125	29
George Robertson	Jefferson	500	22
Timothy Barber	"	500	18
James Burns	"	500	20
Philip Mason	Fayette	500	1
Caleb B. Smith	"	500	1
David Wilson	Jefferson	500	Jan. 28, 1836.

Mortgager.	County.	Loan.	Date of Loan.
Philip K. Landis	Marion	500	Dec. 22, 1835.
John Walker	Laporte	500	16
James L. Givan	Hendricks	500	Jan. 4, 1836.
John J. Lewis	Shelby	500	1
Jacob Landis	Marion	500	Dec. 22, 1835.
Xury E. West	Hendricks	400	Jan. 4, 1836.
W. W. Wick	Boone	125	Feb. 9
Thomas Hoagland	Marion	250	April 10
Asa B. Strong	"	500	20
Jordan Wright	"	500	"
Daniel Stuck	"	500	23
Daniel S. Lane	Vanderburgh	500	20
John Wallace	Jefferson	500	Mar. 14
R. A. Redman	Jackson	500	"
S. D. Maxwell	Clinton	500	May 24
Absalom Sutton	Fayette	500	"
John Turpin	Boone	200	June 25, 1836.
John G. McLeland	"	400	22
L. B. Hughes	Fountain	500	24
Solomon Washer	Switzerland	500	July 6, 1836.
Hugh McDonald	Marion	300	Aug. 2
Caleb Richardson	Boone	400	"
John McByrd	Rush	400	Nov. 26
Edward Layton	Hamilton	200	Dec. 11
Seth Worth	Rush	500	Nov. 26
George Marquis	Marion	400	Dec. 9
Edward Bray, and others	Hamilton	350	Nov. 26
Richard Wells	Marion	400	Dec. 6
Philip Stoop, jr.	Hamilton	500	10
Evans & McFall	Marion	300	6
Edmund Lovett	"	250	6
Thomas McFarland	"	200	6
Thomas Johnson	"	500	6
Simeon Sedgwick	Boone	500	6
David Clark	Montgomery	500	6
Lewis C. Lewis	Marion	500	6
Jesse Mendenhall	Marion	200	6
Thomas Silver	Madison	500	"
Orsemus Richmond	"	350	"
William A. Schofield	"	500	"
Corson Vickers	"	400	"
Samuel Seeright	"	200	"
Obadiah Compton	"	450	"
John D. Cooper	Hancock	400	"
William McIlvaine	Marion	500	"
Albert B. Cole	Hamilton	400	"

Mortgages.	County.	Loan.	Date of Loan.
George W. Mears	Marion	500	"
Nelson Hartsock	"	500	"
John Shroyer & Co.	Henry	500	"
William Saunders	Marion	500	"
Asa Kirkley	Hancock	250	"
Bethel Dunning	Hamilton	500	"
William Naylor	Hendricks	500	"
Wm. C. Blackmore	Hamilton	450	"
Joshua Hall	Hancock	500	"
Zadoc Coverdale	Marion	200	"
William Bell	Madison	320	"
Richard Thornbery	Rush	500	"
Edward Thornbery	"	500	"
Wesley Hickson	Boone	500	"
Lewis J. Harris	"	500	"
Abraham Hudson	Hancock	200	"
Harman Hiatt	Hendricks	475	"
Silas Miller	Hamilton	500	"
John Long	Marion	400	"
James Parr	"	400	"
Jesse Hawkins	"	500	"
George W. Smith	Randolph	500	"
Wm. M. Jenners	Tippecanoe	500	"
James Davis	"	500	"
George Tibbetts	Marian	200	"
Isaac Hurlock	Hamilton	500	"
Abraham Helm	"	500	"
William S. Unthank	Marion	300	July 1 1837.
John Belles	"	500	"
Adonijah Morgan	Shelby	500	"
William Sanders	Marion	500	"
Isam Thompson	Hendricks	300	"
Phebe Hudson	Marion	150	"
George Murphy	Marshall	200	"
John Jamison	Marion	500	"
Geo. W. Lewis	"	400	"
William Reno	Jackson	500	"
John Gray	Rush	500	"
Abner Dillon	"	200	"
Thomas Thomas	Elkhart	500	"
P. L. Reunniun	"	400	"
Peter Smith	Hamilton	500	"
Elijah Dwiggin	Madison	500	"
Jonathan Reeder	"	200	"
John Underwood	Laport	500	"

Mortgager.	County.	Loan.	Date of Loan.
Eanis Dodd	Hendricks	212	July 1, 1837.
Wm. C. Cline	Morgan	150	"
G. A. Cone	Marshall	400	"
Hiram Griffith	Laporte	500	"
John Back	Decatur	400	"
Elisha Rise	Hendricks	500	"
Alfred Redman	Hamilton	400	"
F. B. Cogswell	"	400	"
John K. Kimberlin	Marion	150	"
Andrew Cunningham	Madison	200	"
Joseph Andrus	Marion	500	"
Willaby Lewis	Boone	175	"
Julius Woodford	Crawford	500	"
Woodford and Leavenworth	"	250	"
A. B. Shewman	Marion	250	"
D. Dwiggin	Madison	120	"
William Stoker	Madison	300	"
Gallatin Ashton	Laporte	500	"
Arnold and Roberts	Hamilton	500	"
Moses Boyd	Fountain	300	July 1 1837.
Jonathan Howgham	Hamilton	500	"
William Peck	"	500	"
John Jackson	Warren	500	Dec. 6, 1837.
Geo. A. Stover	Laporte	200	Nov. 29
W. J. Walker	"	500	"
T. V. Denny	Marion	200	Dec. 16, 1836.
William Cherry	Fulton	200	6,
D. M'Guire	Marion	500	"
Samuel Niles	Laport	500	23
Amos Morris	Marion	200	Jan. 2, 1838.
Jeremiah Mnucy	Marshall	500	Dec. 6, 1837.
Isiah Wiley	Hendricks	400	"
Garet Cozine	"	200	"
James B. M'Clane	Marion	200	"
Jacob Kunkle	"	200	"
William M'Connel	"	200	"
Warren Cole	Laporte	400	Jan. 1, 1838.
A. E. Woodward	"	400	Dec. 30, 1837.
Eli Black	"	400	Jan. 8, 1838.
Avery Freeman	"	400	6,
Lucy Redding	Marion	500	Dec. 6, 1837.
Isaac D. Huffman	Morgan	137 50	March 1, 1838.
Solomon Myers	"	400	"
Joseph Shields	"	110	"
Bejamin Davee	"	150	"

Mortgagers.	County.	Loan.	Date of Loan.
James M'Kinley	"	500	March 1, 183
John W. Sims	"	500	"
Isaac Bunnell	Warren	500	"
Joseph Rothrock	White	500	"
A. J. Shepherd	Fulton	500	"
Resin J. Prather	Marshall	450	"
James Highly	Laporte	500	"
Amassa Johnson	Putnam	500	"
B. F. Mars	Martin	250	April 16
Wright and King	Monroe	500	June 15
Franklin Thwing	Laporte	400	June 19
Jefferson R. Redman	Hamilton	500	1
James M'Coun	Hendricks	500	May 14
Lewis Burke	Wayne	500	July 1, 183
J. R. Mendenhall	"	500	"
Ira Lackey	"	500	"
David Commons	"	500	"
John Morris	"	500	"
Ezra Scofield	"	500	"
John Rich	"	500	"
Joseph Newby	"	500	"
Gabriel Newby	"	500	"
Thomas Tiner	"	500	"
Paul Larsh	"	500	"
Pleasant Johnson	"	500	"
Daniel Williams	"	500	"
Joshua Benton	"	300	"
T. J. N. and L. Larsh	"	200	"
Thomas J. Crisler	Fayette	500	"
Booz Tharp	"	500	"
John Conner	"	500	"
Edward L. M'Gee	"	500	"
Charles Whitsitt	"	500	"
James Vance	"	500	"
William Caldwell	"	500	"
James Alexander	"	500	"
Levi S. Thomas	"	500	"
Moses Harrell	"	500	"
Jeremiah Connell	"	500	"
Winchel and Daniel	"	500	"
Connel and Rickord	"	800	"
J. W. Heedrick, Reeson and Lyon	"	670	"
Samuel Heedrick	"	400	"
J. M. and W. Conner	"	350	"
Amos G. Pumbrey	"	350	"
Joseph Caldwell	"	312	"

Mortgager.	County.	Loan.	Date of Loan.
John D. Ross	"	200	July 1, 1837.
John Trent	Fayette	200	"
John Beedle	Union	500	"
J. Hollingsworth	"	500	"
W. Hollingsworth	"	300	"
T. Barnard	"	500	"
J. Huddlnton	"	500	"
William Youes	"	500	"
W. B. Crist	"	500	"
James Bates	"	500	"
James W. Crist	"	500	"
John J. Hunt	"	500	"
Benjamin Nutler	"	500	"
Uriah Starbuck	"	500	"
James Murdock	"	475	"
Mahlon Mills	"	225	"
James D. Hunt	Randolph	500	"
Thomas Goodrich	"	225	"
William Preeur	"	300	"
Westly Markwell	"	420	"
James Forsythe	"	400	"
Absalom Hunt	"	500	"
W. C. Smith	"	400	"
Joshua P. Hunt	"	500	"
Michael Jones	"	500	"
Jacob H. Powers	Delaware	500	"
Isaac Norris	"	500	"
S. P. Anthony	"	500	"
John Beetle	"	200	"
Theodore R. Lewis	"	500	"
John Rigbsby	Rush	200	"
C. Edwards	"	400	"
Alexander Hite	"	400	"
John Tyner	"	500	"
Benjamin Caldwell	"	250	"
John Kenneđy	"	300	"
Amaziah Morgan	"	500	"
John Smelzer jur.	"	200	"
Pleasant Franklin	Lawrence	100	"
Daniel Phillips	"	400	"
John Boyd	"	200	"
Olly Crooke	"	300	"
Ebenezer Thompson	"	100	"
John Whitely	"	100	"
Thomas Anderson	"	150	"
James Anderson	"	100	"

Mortgager.	County.	Loan.	Date of Loan.
Nathan Holman	Lawrence	400	July 1, 1837.
Isaac Boyd	"	100	"
Jesse Aston	"	100	"
John Scott	Loaned at Terre Haute, Wabash, counties not designated.	300	Dec'r 7, 1835.
John Britton		500	"
C. A. Ogden		500	16
Thomas Ast		230	Jan. 12, 1836.
M. G. Hearn	-	100	"
John Barton	-	500	Feb. 6
Tilghman A. Howard	-	500	Jan. 8
David Small	-	75	Feb. 8
W. P. Bryant	-	500	Jan. 10
John Burchfield	-	187 50	Feb. 12
Sanders Walker	-	175	22
D. Zenor	-	90	13
Thomas Black	-	120	Jan. 12
Samuel Miles	-	212	Feb. 8
Jacob Harper	-	500	25
Samuel Judah	-	500	"
C. Gilbert	-	500	March 5
A. A. Jewett	-	320	Feb. 27
James Farrington	-	500	March 5
Sarah Alexander	-	£75	Feb. 9
Peter Von Smith	-	500	June 24
William Kennedy	-	75	Feb. 10
Peter Justice	-	100	"
Renas Thralls	-	125	8
Richard Childers	-	75	9
Hiram Hayden	-	75	16
Elijah Tilletson	-	400	8
Edward Mattingly	-	60	11
Daniel Baine, jr.	-	225	11
Thomas Kennedy	-	100	10
Frederick French	-	125	12
Jonas Winfield	-	225	8
William Smith	-	120	16
Obed W. Durham	-	200	11
Joseph Thralls	-	225	8
M. M. Hickox	-	300	March 3
W. W. Noell	-	125	"
Luke Johnson	-	200	Feb. 19
Jeremiah Rapelye	-	500	"
Samuel Gastrill	-	120	18
Luke Hood	-	100	20
Andrew Johnson	-	80	19
Reuben Jordan	-	150	

Mortgager.	County.	Loan.	Date of Loan.
Lamiah Genung	Loaned at Ter-	160	April 22
James T. Moffat	re Haute, Wa-	500	May 10
William McFadden	bash, counties	200	"
Gershum R. Jacques	not designated.	200	"
Elisha M. Huntington	-	500	July 6
L. H. Scott	-	200	"
John W. Hitchcock	-	100	22
Drury Aker	-	250	March 24, 1837
Joseph Akers	-	150	Feb. 1
Solomon Akers	-	150	Jan. 25
Abraham Asher	-	65	9
Ira Allen	-	200	17
Myron H. Allen	-	400	Feb. 22
Absalom Adams	-	400	Jan. 20
Jacob Abrell	-	80	Feb. 11
Anthony Brunn	-	300	23
R. & Geo. Brock	-	315	8
Richard Blake	-	500	Dec'r 24, 1836
Robert Brubridge	-	200	Jan. 3, 1837
George Brick	-	100	Feb. 3
Elisha Brubridge	-	125	Jan. 30
Martin Bewles	-	490 50	12
William Bridges	-	500	"
Larkin Baker	-	150	Feb. 3
John Brush	-	125	March 24
Nathan Burchfield	-	120	Jan. 19
Marshal Baty	-	80	13
Martin Crows	-	75	8
William Coffin	-	500	31
George C. Curry	-	150	17
James Cash	-	100	19
Isaac V. Coddington	-	200	23
William Cummings	-	160	13
Matthew Cummins	-	187	12
Samuel Clark	-	70	Feb. 10
John Carter	-	150	Jan. 30
James Cook	-	230	14
David Crockett	-	130	17
D. & P. Clark	-	300	13
Joseph H. Curd	-	112	March 28
Johnson Clark	-	400	23
David C. Creasy	-	120	4
John Downing	-	200	Jan. 7
Isaac M. Dawson	-	400	March 20
Pallis Pane Davis	-	100	3
John Etchison	-	400	Feb. 22

Mortgager.	County.	Loan.	Date of Loan.
Felix Evans	Loaned at Terre Haute, Wabash, counties not designated.	200	March 18
Henry Franklin		115	Feb. 11
Abner A. Fuller	-	500	Jan. 14
John Goswell		100	March 15
Elam Genung	-	400	Jan. 18
Joseph Genung	-	500	Feb. 1
Robert Grays	-	80	Jan. 28
Jacob B. Goodick	-	473	Dec'r 30, 1836.
Aaron Hyatt	-	160	April 1, 1837.
John Hay	-	500	Dec'r 15, 1836.
Cornelius Howard	-	90	Nov'r 25, 1836.
William Hicks	-	75	Jan. 17, 1837.
Daniel Harris	-	250	20
Jacob Haw, jr.	-	80	Feb. 11
Alfred Harris	-	120	Jan. 20
Steen Hicks	-	62	19
Jacob Hicks	-	150	Dec'r 30, 1836.
M. M. Hickox	-	160	March 11, 1837.
Ira Hawley	-	150	4
Wiley Hicks	-	180	Jan. 12
John Hyden	-	150	27
William Harrington	-	500	23
Joseph Haskins	-	200	12
Wiley Hicks	-	160	30
James Hunt	-	150	Feb. 7
George Hicks	-	50	10
Augustine Harris	-	400	March 2
John Hicks	-	150	Feb. 8
Thomas Harris	-	120	6
Ambrose S. Hovey	-	100	Dec'r 30, 1836.
E. M. Jones	-	200	March 22, 1837.
Berryman James	-	100	Jan. 14
Thomas Johnson	-	500	Feb. 10
Joseph E. Jones	-	500	March 6
George Kousily	-	120	Jan. 11
Mordecai Lam	-	90	1
John Latham	-	500	17
Owen Long	-	90	30
Robert Light	-	300	11
Lawrence Leonard	-	500	5
William Leak	-	250	19
Albert Lange	-	500	18
William W. M'Bride	-	440	Dec'r 30, 1836.
James M'Kee	-	100	Feb. 11, 1837.
Henry Markle	-	400	14
James M'Kee	-	80	11

Mortgager.	County.	Loan.	Date of Loans.
Joseph B. Miller	Loaned at Ter-	150	March 16, 1837
John McAllister	re Haute, Wa-	120	Jan. 31, 1837
William Mars	bash counties	200	August 4, 1836
John M'Bride	not designated.	150	Jan. 28, 1837
William Morton	"	75	Feb'ry 1,
J. Mewhnncey	"	440	March 13
William Mars	"	300	Dec. 39, 1836
George M'Culloch	"	200	Jan. 16, 1837
John Moore	"	266	13
John Mitchell	"	100	May 10
Caleb Nichols	"	150	Feb'ry 8
John R. Porter	"	500	Jan'ry 31
Isaac Price	"	125	March 27
David Potter	"	500	Jan'ry 17
Henry Putle	"	150	Jan'ry 27
Isaac N. Putle'	"	80	26
James Roland	"	150	23
John Rowlet	"	300	Feb'ry 11
Willis Reynolds	"	75	Jan'ry 27
Gillham Reynolds	"	80	"
George Rodgers	"	165	10
Sylvanus Ripley	"	225	"
Russell Ross	"	500	"
T. B. Roland	"	75	1
Elijah Rawley	"	500	23
Alfred M. Rector	"	100	23
William Swinford	"	284	Feb'ry 21
William Sbott	"	80	1
Joseph Shull	"	100	Jan'ry 23
John Starvut	"	120	Jan'ry 13
Samuel H. Smydthe	"	500	19
Samuel Slavens	"	60	23
David Swall	"	90	"
Matthew Stewart	"	500	12
Robert Thompson	"	300	Feb'ry 25
Samuel C. Thompson	"	450	May 5
James Thorbler	"	75	Jan'ry 7
N. Trueblood	"	200	30
William B. Townsend	"	500	Jan'ry 7
August Von Smith	"	500	9
Julius Von Smith	"	100	23
Charles Walker	"	200	March 17
Stacy Winter	"	200	April 5
Joel White	"	200	March 27 1837
Peter Withan jr.	"	60	Jan'ry 13
Alfred Wett	"	60	12

Mortgagers.	County.	Loan.	Date of Loan.
W. M. Wood	Loaned at Ter-	500	Dec. 16 1836
Levi Walker	re Haute, Wa-	75	Jan'ry 17 1837
James Ward	bash counties	100	March 4
Abel Woolverton	not designated.	500	Dec. 16 1836
Joseph Witham	"	100	Jan'ry 18 1837
John S. Yocum	"	240	7
Jesse B. Yocum	"	100	13
William Yocum	"	200	"
William Zenor	"	500	9
Phillip Zenor	"	120	30
A. B. Fontaine	"	500	April 1 1839
Jacob Lyman	"	100	2
H. K. Kendall	"	287	May 3
W. W. Goodale	"	500	7
John F. Goodale	"	400	"
James Taylor	"	200	10
James Cole	"	260	17
William Manning	"	200	"
N. Burchfield	"	150	18
John Burchfield	"	225	"
Samuel Middleton	"	480	20
Joseph Fiars	"	200	21
D. Fridley	"	200	"
Willis McGaughey	"	200	22
Evans Rawley	"	500	23
Daniel Coltrine	"	100	24
D. Egbert	"	200	25
Murdock McRea	"	200	27
James Townsend	"	500	29
S. M. Bolin	"	100	31
King Freeman	"	200	"
G. Richards	"	200	June 1
Beranger Bolin	"	110	1
R. S. McCabe	"	500	August 10 1838
Jemima Reeve	"	100	22
P. B. Watkins	"	500	23
John F. Cruft	"	500	28
T. A. Madison	"	500	"
A. Mitchell	"	100	31
A. Dills	"	200	Sept. 3
Edward Role	"	180	13
Stephen McAdams	"	255	18
Jesse Decker	"	100	Oct. 5
J. B. McCall	"	500	"
Thomas Stewart	"	500	20
S. B. Gookins	"	500	29

Mortgrger.	County.	Loan.	Date of Loan.
H. G. McAdams	"	100	Nov. 1 1836
Jesse Gay	Warriek	250	Jan. 1
John Anthony	Vanderburgh	500	"
John Stoner	"	400	"
Michael P. Jones	"	500	"
Wm. Olmstead	"	500	"
George B. Wagner	"	500	"
George W. Miller	"	480	"
Arthur Johnson	"	300	"
Samuel L. Boicourt	"	300	"
William Wills	"	500	"
James Robertson	"	500	"
Michael Maxwell	"	500	"
S. L. Olmstead	"	200	"
Martin Miller	"	300	"
Samuel Steel	"	200	"
William Williams	"	300	April 1
Patrick Reegan	"	250	8
Solon Whitney	"	500	Jan'y 5 1837
S. S. Olmstead	"	300	6
Joseph Craig	"	150	1
E. Hutchinson	"	160	"
James T. Walker	"	500	"
William M. Walker	"	500	"
George B. Walker	"	500	"
Wm. H. Walker	"	300	"
John Ingle	"	400	April 1
George Skeets	"	150	"
Daniel Davidson	Loaned at Vin-	200	Jan'y 13 1837
Elijah Chapman	cennes, Wabash	500	22
Wm. W. Carnahan	counties not	150	23
Aeshah Hervey	designated.	320	25
William Howell	"	200	Feb'y 8
James Houston	"	100	23
James McDonald	"	320	24
Jacob Bunnell	"	80	"
Anthony Benham	"	125	March 3
Milton T. Givens	"	270	"
C. C. Wallace	"	100	Feb'y 24
Josiah W. Morgan	"	137 50	23
Nathan Clifton	"	100	March 9
Harrison Biven	"	80	13
Henry A. Edwards	"	75	"
Thomas Johnson	"	60	18
Hugh Barr	"	500	15
Moses Morgan	"	60	27

Mortgager.	County.	Loan.	Date of Loan.
A. D. Henderson	Loaned at Vin-	80	March 22
John T. Rhodawell	cennes, Wabash	200	27
George Gregory	counties not	110	April 5
Micajah Bicknel	designated.	500	1
N. G. Robertson	"	400	May 5
Elijah Clark	"	300	August 1 1838
Stephen Mastin	"	120	Sept. 1
Phillip Mastin	"	100	"
Jacob Grave	Loaned in W.	400	Dec. 28, 1836.
John Barner	Water.	250	15
Stephen Moore	Counties not de-	500	10
Jacob Ross	signated.	200	Nov. 28
M. Caldwell	-	500	13
Philip Holland	-	287 50	9
William Dixon	-	200	Sep. 28
Robert Scott	-	400	"
Wilson Clift	-	500	Dec. 20
Robert Low	-	250	3
Abraham Clark	-	500	17
Clement Murphy	-	500	9
Enos Stafford	-	240	17
B. N. Denton	-	200	9
Samuel Hoover	-	500	"
Henry Lewelling	-	300	"
Aquilla Barrett	-	200	20
William Dickey	-	500	Jan. 14, 1837.
G. Johnson	-	330	26
John Middleton	-	500	11
Stephen Butler	-	500	26
Geo. W. Bennet	-	500	9
Isaac Powell	-	500	2
James D. Boyd	-	200	3
David Fence	-	500	13
John Horneas	-	350	12
H. Dickey	-	500	14
B. Dickey	-	500	20
John Elliott	-	500	Dec. 12, 1836.
Wm. McKinney	-	500	26
James Silver	-	200	8
N. Hollingsworth	-	500	15
R. Rousseau	-	200	5
David Buncker	-	500	Jan. 6, 1837.
M. Marshall	-	500	20
Jacob W. Fisher	-	400	Dec. 3, 1836.
David Hook	-	200	26

Mortgagers.	County.	Loan.	Date of Loan.
Daniel P. Wiggins	Loaned in W.	500	Dec. 27, 1836.
William Hill	Water.	500	17
Phillip Rinker	Counties not de-	500	9
S. Murdick	signated.	500	15
Robert Lavall	-	500	Jan. 10, 1837.
James Henry	-	400	20
Anderson Moore	-	200	21
Jacob Marshall	-	200	27
John Sincock	-	350	Feb. 3, 1836.
Edward Outland	-	200	"
James P. Addleman	-	200	June 29
Leeds & Jones	-	412 50	28
Isaac Jeffries	-	500	July 2
Oliver Kinsey	-	500	5
Lewis W. Hunt	-	500	9
C. Ratcliff	-	250	28
Atticus Siddall	-	182 60	25
Evan Jay	-	482	Apr. 12, 1837.
Benjamin Griffin	-	300	Jan. 10
Nathan Crago	Fayette	127	Sept. 4
Zachariah Beeson	Wayne	400	Dec. 9
Jon McCarty	Fayette	500	25
Minor Meeker	"	500	21
Eli Orsborn	Wayne	500	21
Wm. Thistlewaite	"	500	9
Job Eldridge	Wayne	500	22
Benjamin Mason	"	250	21
William Watson	"	300	20
Samuel Fleming	"	500	Jan. 1, 1838.
Nathan Reiley	"	500	"
Ezra Walton	"	225	Dec. 5, 1837.
James Boyd	Union	400	Jan. 1, 1838.
Edward B. Goodrich	Randolph	500	July 1, 1837.
Bailey & McCoy	"	750	"
James Turner	Grant	500	Dec. 4, 1838.
David James	Wayne,	500	Feb. 25, 1839.
Joseph Pyle	"	500	23
Boston Moore	Wayne	400	Mar. 12, 1839.
James W. Borden	"	500	8
Job Carr	Jay	500	Feb. 25
Joseph Wilson	"	300	28
John M. Carr	"	250	"
James Ford	Fayette	300	25
Hugh Dickey	"	500	"
Wm. Laflan	Union	500	Apr. 27
Jacob Vandegrift	Fayette	500	May 8

Mortgager.	County.	Loan.	Date of Loan.
Samuel Hesting	Wayne	250	22
Joseph Commin	Randolph	250	28
Peter Ewing	Wayne	350	25
Andrew Hotchkiss	Fayette	400	31
William Dixon	Randolph	500	"
Geo. W. Dixon	"	400	"
Jesse Idem	Wayne	500	"
Timothy Stratton	Jay	300	June 1
Geo. C. Whitman	"	300	May 30
John Harvey	Wayne	500	June 4
George Mooney	Henry	200	3
D. P. Hollvey	Wayne	250	May 5
Jason Whipple	Jay	200	June 3
William Cox	Wayne	250	1
George W. Templan	Jay	200	7
Charles Bucke	Wayne	200	"
Nathan Cumpton	"	500	"
M. Craner	"	500	5
Jeremy Mansur	"	500	10
William Carpenter	"	300	17
Joseph Parker	"	500	14
Henry Robinson	Jay	300	25
R. M. Worth	Wayne	300	July 5
Ezekiel Short	Lawrence	300	1, 1837.
Michael Rudolph	"	400	"
Alexander Green	"	500	"
Thomas Green	"	500	"
Holland Pitman	"	350	"
Robert Dougherty	"	500	"
Peter Leatherman	"	150	"
Hillary Toon	"	200	"
Moses McBride	"	200	"
Dayid Burton	"	100	"
Charles Burton	"	100	"
James Hayes	"	500	"
James Bunch	"	100	"
James Thomas	"	220	"
James Chesnut	"	100	"
Bledsoe Hardin	"	100	"
John Litton	"	350	"
Richard Evans	"	400	"
Dabney Harris	"	200	"
Joseph Caldwell	"	112 50	"
Archibald Day	"	200	"
Jefferson Brannon	"	300.	"

Mortgager.	County.	Loan.	Date of Loan.
John Owens	Monroe	500	"
Isaiah Stevens	Lawrence	200	"
E. P. Adamson	"	100	"
John Pace	"	500	"
George Martin	"	100	"
Booker Wilson	"	200	"
William Preston	"	112 50	"
Aquilla Chapman	"	100	"
George Beaver	"	100	"
Hiram Stotts	"	300	"
Charles Cooper	"	100	"
John S. Barnes	Monroe	500	"
Thomas Box	Lawrence	100	"
Johnson McCullough	Monroe	500	"
William Tinchcr	Lawrence	300	"
George Bridewell	"	250	"
John McDowell	"	150	"
E. Trabue	"	125	"
G. C. Walker	"	100	"
Isaac W. Smith	Warren	500	July 1 1837:
Taylor & Cunningham	"	500	"
James Buckles	"	500	"
George W. Newell	"	200	"
John N. Wilson	"	200	"
L. Russell	"	500	"
William Barkshire	"	350	"
Henry Lowry	"	500	"
Samuel Harris	"	500	"
L. Tillottson	"	500	"
Robert Pearson	"	250	"
Thomas Crose	White	200	"
George Bartley	"	500	"
Rudolph Landis	Carroll	500	"
J. N. Newman	"	500	"
G. T. Bostwick	Cass	200	"
William Wile	Tippecanoe	500	"
Rowland Hughes	White	200	"
Hughes and James	"	400	"
Joshua Rinker	"	200	"
Abraham Waggoner	Carroll	500	"
Levin Turner	Cass	250	"
Robert F. Groves	"	200	"
Benjamin Green	"	500	"
William Barry	Carroll	400	"
John Fulkerson	Clinton	500	"

Mortgages.	County.	Loan.	Date of Loan.
Strawther Moore	"	500	July 1, 1837.
C. C. Greenup	Carroll	500	"
O. Munson	Warren	500	"
L. A. Munson	"	500	"
F. Merrill	Fountain	500	"
John Rodgers	Tippecanoe	200	"
James Concannan	"	500	"
Abraham Morgan	"	500	"
M. Morgan	"	500	"
Nelson Rose	"	333	"
D. D. Hunter	"	500	"
H. T. Sample	"	500	"
Abm. Shoemaker	"	433	"
G. H. G. Stackhouse	"	333	"
B. W. Nichols	"	500	"
Jesse Andrew	"	500	"
Solomon Ramig	"	500	"
Rufus Webb	"	500	"
George Nichol	"	500	"
L. Beeman	"	500	"
J. W. Holliday	"	200	"
Samuel Taylor	"	500	"
Samuel Bair	"	500	"
George W. Marshall	"	500	"
A. M. Wylie	"	500	"
Lisman Basye	Cass	500	"
Kenton & Buzzy	White	500	Dec. 6
A. G. Clarke	Laporte	500	26
W. S. Clark	"	500	26
Geo. R. Sulkrigg	"	500	20
John Taylor	Tippecanoe	500	July 1, 1837.
Libanus Sherry	Warren	500	"
T. Sherry	"	500	"
James Scott	"	500	"
D. C. Sriver	"	500	"
Adam Sriver	"	500	"
Eliz. Sriver	"	500	"
H. Ensminger	White	500	"
P. Ensminger	"	500	"
Timothy Barber	Marshall	500	March 1, 1838.
John Long	Fountain	500	April 21
William Burroughs	Ripley	500	July 18, 1837.
H. J. Bowers	"	500	"
Jeremiah Finney	Dearborn	210	28
Isaac Anderson	Ripley	300	12

Mortgager.	County.	Loan.	Date of Loan.
William Smith	Dearborn	500	July 15 1837.
Benj. Ewbank	"	500	"
William Dawson	"	500	21
Noble Dawson	"	250	"
Gershun Dunn	"	500	"
C. W. Wright	"	500	"
Robert Owen	"	300	"
Thomas Ewbank	"	500	15
Alex. H. Dill	"	400	"
Joseph Kitchell	"	500	"
Aaron Richardson	Ripley	300	Aug. 22
C. Miller	Dearborn	500	14
Wm. Tate	"	1000	Nov. 21
Ellis Williamson	"	200	"
Edwin Oldwine	"	200	"
Philip Roland	"	400	Dec. 1,
Richard S. Tipple	"	375	5
John Taylor	"	230	Feb. 2, 1838.
Joshua Jeffreis	Wayne	500	Nov. 30, 1835.
Thomas Commons	"	500	"
Robert Hill	"	500	"
Samuel Hill	"	500	"
Abner Hunt	"	500	"
John Collins	"	500	"
John C. Kibby	"	500	"
C. Messick	"	300	"
Thomas Wideup	"	225	"
William Watson	"	200	"
Thomas Benton	"	300	"
Aquilla Jones	"	500	Dec. 10
William Jeans	"	200	"
Anthony Foulke	"	225	"
Jacob Addleman	Wayne	500	5
R. S. Darlan	"	200	8
R. Shambowric	"	250	14
William Hunt	Randolph	500	9
B. Edwards	"	500	"
Nathan Proctor	"	400	9
R. & N. Proctor	"	500	15
Eli Wood	"	421	9
Miles Hunt	"	500	15
Howard Hunt	"	500	9
Jonathan Hunt	"	500	15
B. Hunt	"	500	"
Abraham Lyons	Fayette	400	"

Mortgagers.	County.	Loan.	Date of Loan.
J. B. M'Colley	"	500	Nov. 30
John Treadway	"	500	Dec. 7
Samuel Dickey	"	500	Nov. 30
Joshua Simpson	"	500	"
Thomas Simpson	"	300	"
✓ E. T. Hickman	Henry	500	"
✓ Absalom Harvy	"	500	"
Samuel Howard	"	500	"
Joshua Hickman	"	500	"
B. Harvey	"	500	Dec. 12
John G. Miller	"	400	15
Jacob Marical	"	300	12
John Miller	"	500	15
John Reed	"	400	"
Lewis C. Freeman	"	500	10
Sophar Freeman	"	250	"
J. W. Baldwin	"	500	"
Daniel Reynolds	"	500	15
M. Reminton	"	500	12
Lewis Edwards	"	400	10
Henry Hester	"	200	8
J. W. Bell	"	400	10
George Smith	"	200	30
Isaac Gordon	"	500	20
John Powell	"	500	9
H. D. Ruckle	"	500	15
Lewis Monge	"	500	16
Samuel Outland	"	274	17
William Scrugg	"	500	12
C. Carver	"	500	7
David Reynolds	"	400	8
Thomas Walker	Rush	250	July 1, 1837
James Alexander	"	200	"
James Armstrong	"	500	"
James Frazee	"	500	"
William M'Cann	"	500	"
James C. Endicott	"	500	"
James Curry	"	500	"
James Stairr	"	500	"
John Bell	"	500	"
William Glass	"	500	"
William Jones	"	400	"
William Silver	Henry	500	"
Joseph Davis	"	500	"

Mortgager.	County.	Loan.	Date of Loan.
Thaddeus Owen	"	500	July 1, 1837.
Joel Reed	"	200	"
John D. Forshee	"	500	"
Josiah Clawson	"	200	"
George Chorn	"	500	"
James Harvey	"	500	"
Abraham Miller	"	350	"
George Bakefield	"	400	"
Asa Heaton	"	200	"
Whitsel M. Cary	"	300	"
E. Willburn	"	200	"
J. Thornburgh	"	500	"
Barnabas Springer	"	325	"
Isaac Bedsell	"	200	"
P. Ratliff	"	500	"
John Presnull	"	400	"
John Loury	"	500	"
John Baldwin	"	500	"
John B. Harris	"	500	"
Stephen Jincks	Franklin	500	"
Samuel Jincks	"	500	"
Cooper and Brison	"	400	"
J. and H. Brison	"	500	"
Henry Armstrong	"	500	"
John C. Johnson	"	500	"
Thomas Kennedy	"	300	"
William Moffitt	"	350	"
William Holland	"	400	"
Hiram Pond	"	260	"
D. C. Callen	"	500	"
John Johnson	"	400	"
Benjamin Weston	"	500	"
E. R. Ricord	"	500	"
Thomas J. White	"	500	"
George L. Shoup	"	500	"
F. A. Conwell	"	500	"
H. D. Smith	"	400	"
Thomas Owen	"	500	"
R. G. Emerson	"	500	"
James M. Clement	"	450	"
Thomas Wilson	"	400	"
Thomas Clark	"	300	"
Coker F. Clarkson	"	400	"
Richard Clements	"	400	"
Elisha Ogle	Wayne	300	"

Mortgager.	County.	Loan.	Date of Loan.
Abraham Warrick	Wayne	500	July 1, 1837
B. Hibbard	"	340 86	"
D. Baldwin	"	500	"
Amos Clawson	"	500	July 12, 1839
Irvin Reed	"	269 22	August 8,
James Siddall	Jefferson	500	Oct. 7, 1837
W. F. Collum	"	500	16,
J. Sheets	"	500	5,
Sarah G. Stevenson	"	500	Nov. 22,
James Boyles	Clinton	200	July 1, 1837
Joseph Wallace	"	500	"
Isaac Merrill	"	300	"
Mahlon Thompson	"	200	"
Levi Holleway	Fountain	500	"
John and Dan Yount	"	400	"
Martin Grant	"	500	"
P. H. Patterson	Fountain	500	"
W. W. Conover	"	500	"
Archa Shaw	"	500	"
Jacob Meyer	White	300	"
Jonathan Harbolt	"	300	"
James Parker	"	500	"
Robert Rethrock	"	500	"
Geo. Merkle and others	"	500	"
James Scott	Clinton	300	"
John Pence	"	500	"
John Ross, sen'r	"	500	"
G. Troutman	"	300	"
J. M'Clelland	"	200	"
Resin Lackey	"	400	"
W. W. Taylor	"	250	"
John Bonnellj	"	500	"
Ephraim Thomas	"	300	"
W. S. Curless	"	250	"
David Gher	"	500	"
N. T. Catterlin	"	500	"
John T. Wright	"	350	"
Isaac M'Cleland	"	250	"
Henry Adare	"	400	"
David Barnes	"	250	"
William Nixon	"	250	"
William V. White	"	350	"
W. & R. J. Carter	"	500	"
Jesse Aughe	"	500	"

Mortgager.	County.	Loan.	Date of Loan.
A. G. Connelly	Carroll	500	July 1, 1837.
John Smith	"	500	"
Gillis M'Bean	Cass	500	"
Weaver & Brown	Fountain	400	"
W. Crumpton	"	400	"
J. B. Dillon	Cass	500	"
D. C. Flinn	"	500	"
Graham N. Fitch	"	500	"
J. H. Kintner	"	500	"
P. Anderson	"	500	"
Clem & Colson	"	500	"
Jno. W. & W. Wright	"	500	"
N. Cunningham	Clinton	300	"
John Hughes	"	200	"
William Smith	Montgomery	500	"
Caleb Smith	"	358	"
Hovey & Thompson	"	400	"
John Mack	"	500	"
William Holl	Fountain	500	"
Jesse Elston	"	500	"
David Anderson	"	300	"
David Brier	"	200	"
George May, jr.	"	500	"
M. M'Cormick	"	400	"
R. Mitford	"	500	"
B. Strader	"	300	"
Jno. N. Elder	"	500	"
Henry Chase	Cass	500	"
J. W. Dunn	"	500	"
Robert Bryer	"	500	"
John B. Duret	"	500	"
S. S. Tipton	"	500	"
Jacob Tanner	Carroll	300	"
J. M'Gilliard	"	300	"
W. E. Oneal	"	400	"
Job B. Eldridge	Cass	500	"
Jacob T. Wykoff	Fountain	500	"
John Elwell	"	500	"
Timothy Brown	Warren	250	"
Robert Hatfield	Fountain	500	"
Chauncey Carter	Cass	200	"
William M'Cord	Carroll	500	"
James Todd	Warren	500	"
Edward Mitchell	"	500	"

Mortgager.	County.	Loan.	Date of Loans.
Basil Justus	Warren	500	July 1, 1837.
W. A. Crawford	"	500	"

Truly stated,
JAMES M. RAY, Clerk.

Sinking Fund Office, }
February 18, 1840. }



REPORT

OF THE

CHIEF ENGINEER,

IN ANSWER TO A RESOLUTION OF THE HOUSE.

Laid on the table and 500 copies ordered to be printed.

FEBRUARY 21, 1840.

OFFICE OF CHIEF ENGINEER,}
Indianapolis, February 20, 1840. }

Hon. James G. Risd,

Speaker of the House of Representatives:

SIR: I have received a resolution of the House of Representatives of this morning, requesting a statement of the number of engineers and other officers now engaged under the direction of the Board of Internal Improvement or chief engineer; the salaries of such officers, and the probable time when such officers or any of them can be dispensed with; and in answer thereto, I submit the following statement:

Engineers and others now in the service of the State, on the Wabash and Erie canal.

1. Resident engineer at the rate of \$1500 per year.		
2 Senior assistants	"	920 each per year.
2 Rodmen	"	456 "
2 Axemen	"	348 "
1 Superintendent of finished canal	1095	"
3 Collectors of tolls	180	"

If the Legislature direct operations to be continued on this canal, none of the above named officers can with propriety be dispensed with until the work is finished or nearly so. This important object will, I trust, be accomplished by October next, when the engineer will of course be discharged.

Engineers and other officers on all the other improvements of the State.

5 Resident engineers at	\$1500 each per year,
1 Superintendent of finished line on Central canal, who has performed important additional duties in the the office of the chief engineer and the Board	1200 per year.
1 Superintendent on White Water canal	600 "
1 Superintendent on Madison road at \$2 per day making	730 "
1 Superintendent of machinery at Depot at \$2 per day making	730 "
2 collectors of tolls on White Water canal	100 "

In disbanding the engineer corps on the 1st December last, these five resident engineers were retained for the purpose of re-measuring the work and settling with contractors, in which duties they have been engaged since the passage of the joint resolution on this subject.

In making the estimate and award of damages to be allowed contractors in pursuance of the late law on this subject, the State will need the presence and the testimony of these resident engineers, as there are no other persons so familiar with the character of each contract, and none so well qualified to estimate the value of the preparation made by the contractors, without the aid of these officers in the proposed settlement, the State would no doubt lose in excessive damages, much more than their salaries would amount to for so short a time. When this important settlement shall have been made, which will no doubt be completed early in the season, all the engineers, excepting the corps on the Wabash and Erie canal, will be dispensed with, in accordance with the order of the Legislature suspending the works.

The office of superintendents must be continued if it is designed to keep the finished portions of the works in repair. The collectors of tolls should also be continued.

From the foregoing statement, it will be seen that excepting the corps on the Wabash and Erie canal, which work the Legislature has directed to progress, all the engineers under the control of the Board have been or will be dispensed with, so soon as the assessment of damages to contractors shall have been made; and that the only agents to be continued during the ensuing year, are the collectors of tolls and the superintendent of repairs, which agents must of course be employed under any state of things.

Respectfully submitted,

J. L. WILLIAMS, Chief Engineer.



COMMUNICATION

FROM THE

G O V E R N O R ,

TRANSMITTING RESOLUTIONS FROM THE LEGISLATURE OF INDIANA,

AND A COMMUNICATION FROM THE CHIEF ENGINEER

OF THAT STATE, IN RELATION TO THE

WABASH AND ERIE CANAL.

JANUARY 31, 1840.

EXECUTIVE OFFICE OHIO, }
Columbus, January 31, 1840. }

To the Hon. General Assembly of Ohio:

I have received from his Excellency the Governor of the State of Indiana, a joint resolution of the General Assembly of that State, approved on the 22d inst., making it the duty of the Chief Engineer of the State, to visit the seat of Government of Ohio, for the purpose, among other things, of urging upon your consideration the importance and necessity of a speedy completion of the Wabash and Erie canal, from the Indiana State line to the Maumee Bay.

I have also received a communication from J. L. Williams, Esq. Chief Engineer of the State of Indiana, who has visited this city, in obedience to the above resolution, setting forth the importance to the State of Indiana, of the speedy completion of the above work by the State of Ohio. The above named resolution, together with the communication from Mr. Williams, are herewith transmitted to your honorable body; and your early attention is respectfully invited to the favorable consideration of the same.

Having but one copy of each of the above documents, they are transmitted to the House of Representatives.

I am, with great respect,

Your obedient servant,

WILSON SHANNON.

REPORT.

COLUMBUS, January 30, 1840.

To his Excellency, WILSON SHANNON,

SIR: The legislature of Indiana by a joint resolution, approved on the 22 inst., directed the undersigned to visit the seat of Government of Ohio, for the purpose of urging upon the consideration of the Legislature, now in session, the importance and necessity of a speedy completion of the Wabash and Erie canal, from the Indiana State line to the Maumee Bay.

This duty, it is presumed, can be most appropriately and acceptably discharged, by submitting in this form, for the consideration of the Executive and of the General Assembly, a statement, representing truly the progress made by Indiana in the construction of her division of the canal; the probable time of its completion; the extent to which the interests of her citizens are involved in the opening of this communication to Lake Erie, and the importance and probable amount of her commerce which will pass through this channel to a northern market.

Availing himself of the opportunity which has been afforded, through the courtesy of the Executive, the undersigned has the honor of addressing this communication to your Excellency, as the authorized organ of correspondence with the legislature.

It is deemed unnecessary to refer to the circumstances connected with the early history of this improvement, or to its great importance to the country at large, as a general thoroughfare—these considerations being now so fully understood and appreciated. Suffice it to remark that from its peculiar route and direction with respect to the boundary line of Ohio and Indiana, this canal could be constructed only through the mutual effort and co-operation of both States. From this

peculiar circumstance has arisen the necessity of a frequent interchange of views and wishes between the legislative authorities of the two States, of which the resolution under which I have the honor to act, is one instance.

By the acceptance of the grant of land from the United States, the States placed themselves under obligations to construct the canal—the obligation being first to their own citizens, mutually, and secondly, to the nation at large, from whose common property, the public lands, so large a share of the expenses was contributed.

In fulfilment of her part of this obligation, Indiana, as she was required to do by the terms of the grant, commenced the canal on the first of March, 1832; and as early as the fourth of July 1835, nearly five years since, the navigation of thirty two miles was commenced, and has since that period been regularly maintained during the season of navigation. By the close of the year 1837, the work had so far progressed as to add fifty miles to the length of this navigation, and during the past year a further portion of eight miles was opened, making at the present time, a total navigation of ninety miles, extending from Fort Wayne on the Maumee to Georgetown on the Wabash. The performance of labor to the value of \$134,000, consisting chiefly of the closing up of nearly finished contracts which will unquestionably be accomplished by October next, will complete the canal from the State line to Lafayette, opening at once a navigation one hundred and forty-four miles in length, connecting with the steamboat navigation of the Wabash, and extending into a well improved and very productive portion of the State. It should be observed, however, that the unfinished work east of Fort Wayne can readily be finished by first June next, which will open a navigation, at that earlier date, of one hundred and ten miles, extending west from the Ohio State line.

The expenditures made by Indiana, including the work done up to the present date, amounts to \$2,138,000; to which add the cost of finishing the canal, to wit: \$134,000, and it will give \$2,272,000, as the total investment, which must remain wholly unproductive as to revenue, and measurably useless to the community, until an outlet to Lake Erie shall have been opened through the State of Ohio.

In addition to the interest on the capital invested in the canal, which at six per cent. would amount to \$136,320 annually, the citizens of Indiana sustain a further inconvenience and loss, in the want of a communication to a northern market, to which I beg to refer, in general terms. During the year 1833, the Wabash river, which now forms the only channel of conveyance for the surplus products of this valley, did not rise sufficiently to render it navigable. The crop of that year, after having been loaded into flat boats, was to a great extent, necessarily removed therefrom at a late period in the season, and taken by land carriage to such markets as could be found, at a great sacrifice of its value. Although an entire failure of the Wabash navigation, such as is here noticed, is not a frequent occurrence, yet the passage of boats is often delayed to a period in the season so late

as to lessen materially the value of the exports in the New Orleans market. The amount of the loss thus sustained, for the want of a certain navigation, would, from its nature, be difficult to estimate, with any degree of certainty. Some idea of it may however, be formed by considering the large amount of property that is annually subjected to this hazard. It has been stated by those most competent to form an estimate, that during one season, 150,000 hogs have been packed at the several points on the Wabash between Logansport and Vincennes. The item of pork alone would, therefore, exceed in value a million of dollars annually, to say nothing of the various articles of surplus production besides, which are now forced to seek a market through this river, but the value of which the undersigned has no means of estimating with certainty. A further inconvenience and expense is sustained by this section of country in procuring the necessary supplies of merchandize, salt, &c. During the summer and fall seasons, when the Wabash and Ohio rivers are low, merchandize is necessarily brought by wagons from the south end of Lake Michigan to the towns on the Wabash, as far down as Terre Haute, a distance of one hundred to one hundred and fifty miles.

The undersigned would here beg leave to submit to the General Assembly an approximate estimate of the trade which will pass through the Ohio division of the canal, soon after its completion, from the country lying west of the State line.

That the capability of the Wabash valley, for furnishing transportation, by means of its production and consumption, is equal to that of any other agricultural district of the west, with the same population, will probably not be questioned. For this trade the Wabash and Erie canal will form the natural, and in fact the only channel, so far as a northern market may be sought. From the first settlement of this valley, its citizens have anticipated the opening of this canal at no remote period, for which expectation they, perhaps, had sufficient grounds in the donation of land for this object, and the acceptance of this donation, with all its requirements, by the States. They have neither sought nor desired any other connection with Lake Erie, but on the contrary have located and constructed their common roads, to say nothing of their lateral canals and railroads, some of which have been commenced, so as to concentrate their trade on this canal, as the main trunk. From this circumstance as well as from the directness of the route, the Wabash and Erie canal will not be subjected to a competition with other established channels of trade, as is often the case on the opening of a new work, but from the first will command the undivided commerce and intercourse between the Wabash country and the northern markets.

The district for which this canal will form the main channel of trade, may be described, as extending from the State line as far down the Wabash as the Grand Rapids, a distance of three hundred miles. The boundaries of the district on the south and south east may be defined by a line pursuing generally the valley of the west fork of White river to the east line of the State, embracing nearly one

third of the surface between the *Wabash* and the *Ohio* river; and on the north and west by a line diverging from the *Grand Rapids* and extending about one third the distance to the *Illinois* river on the west, and *Lake Michigan* on the north. The limits of this district, it will be perceived, are marked out with due reference to the influence of the *Ohio* navigation on the south, and of the *Illinois* river and *Lake Michigan* on the west and north, as rival channels of commerce. The district thus described contains a surface equal to thirty eight counties in *Indiana*, and nearly nine counties in *Illinois*, including an aggregate area of 22,000 square miles. The population of this district, in 1839, as nearly as can be estimated from official reports of the state officers, was about 270,000, averaging 124 persons per square mile. Allowing for the increase of population at the usual rates in similar districts, the average by 1841, (the time when it is supposed the navigation might be opened to the *Lake*,) will be increased to about 15 per square mile.

The tonnage which the trade of this district will furnish for transportation can be more accurately computed by comparison with another agricultural district of a given extent, where the tonnage has been carefully ascertained. Fortunately for this investigation, observations of this nature have been made on the trade of a portion of the *Miami* valley, with a degree of care which entitles the result to confidence as a standard of comparison.

The total trade of the *Miami* canal, in both directions, for the year 1838, as shewn by the collector's books, amounted to 54,000 tons. The superintending engineer of the *Miami* canal in 1838 (known to be a competent and accurate officer) ascertained by investigation and inquiry, that this tonnage was furnished from a total extent of country of about 1,612 square miles. By reference to official documents, it has been ascertained that the population of this district, in 1838, averaged about 60 persons per square mile.

Taking this result as the basis, and estimating therefrom the trade of the *Wabash* and *Erie* Canal, keeping in view the proportion between the two districts, both in their extent and their average population, we have 184,244 tons as the total trade of the *Wabash* district. This district, however, having been more recently settled than the *Miami* district, there is probably a smaller proportion of the population engaged in producing. This circumstance will diminish the exports, but can have no material effect upon the imports. A deduction of 18 or 20 per cent. will probably account for any difference in the production of the two districts, arising from this cause, which will leave about 150,000 tons as the aggregate trade of *Wabash* district.

That the whole trade of this district will pass through the *Wabash* and *Erie* Canal, is not to be supposed. The pork, and perhaps other agricultural products of the lower part of the district, where the *White* river as well as the *Wabash*, furnishes a comparatively good flat boat navigation in the spring, will, during favorable seasons, take this mode of conveyance by the *Mississippi* route, to a southern market. Heavy groceries likewise, will still be brought into this district from

the south by the steam boat navigation of the Wabash during some seasons of the year. But as an offset, in part, to this diversion of the trade, it may safely be assumed, that not only the whole of the area, included in this estimate, but a considerable extent of country beyond its limits, will be wholly supplied with New York salt, through the canal and down the stream navigation of the Wabash river. The extent to which this article has displaced the Kenhawa salt in the Scioto valley, by the opening of the Ohio Canal, warrants this expectation. From a careful consideration of the whole subject, comparing the position of the Wabash valley with that of the Scioto valley, and having some reference to the actual division of the trade of the latter between the northern and southern markets, the undersigned feels warranted in the conclusion, that as much as two thirds of the whole tonnage of the Wabash district, will pass through the Wabash and Erie Canal. This will give 100,000 tons annually, as the probable amount of trade which will pass through the whole length of the Ohio division of the canal, from the states lying west of Ohio, so soon as the work can be put in full operation, which trade will increase annually with the improvement of the country.

By the terms of the compact between the states, the State of Ohio is authorized to levy upon the commerce of Indiana, the same toll that is charged on her other principal canals. The existing rates of toll on the Miami Canal, taking the various articles of transportation paying different rates, in the proportion reported for 1839, amount, to an average for the whole transportation, of two cents per ton per mile. Each ton of Indiana trade passing through the Ohio division of the Wabash and Erie Canal, 87,27 miles in length, would therefore pay to the State of Ohio one dollar and seventy-five cents, which on the trade of 100,000 tons, would yield a total revenue of \$175,000. Deducting \$35,000 for repairs, collection of tolls, &c., equal to \$400 per mile, will leave a nett revenue of \$140,000 from the trade of Indiana and Illinois alone, which is equal, independent of the value of the lands, to seven per cent. on the whole cost of the Ohio division, taking it at \$2,000,009, as estimated by the Ohio Board of Public Works, in their annual report of December 30, 1839.

To the foregoing estimates should be added the tolls to be derived from the trade, to be collected by the canal from the territory of Ohio through which it passes, and particularly from the increased business which will ultimately be thrown upon it by the completion of the Miami Canal, the amount of which is of course better known to the members of the legislature, than it can be to an individual residing without the limits of the state. The undersigned has purposely refrained from presenting estimates of business to be derived from any other district than that which has come under his notice in the discharge of his duties, in the service of Indiana.

In the preceding computations, the undersigned has considered the canal as extending no further down the Wabash than Lafayette. It should be observed, however, that the State of Indiana, under the act of Congress of March 2, 1827, has completed the selection of

lands for the extension of the canal to Terre Haute, an additional distance of ninety miles; that the Attorney General of the United States has decided the State to be entitled to these lands, and the confirmation of the selections by Congress, which is expected during the present session, will bind the State of Indiana to complete this extension of the canal by the year 1847, which will have the effect to divert a greater proportion of the Indiana trade from the southern to the northern route.

Nor has any reference been had in the estimates presented, to the lateral canals, connecting with the Wabash and Erie canal, and extending as branches to the main trunk, into other portions of the State, which have been commenced by Indiana, and which, at a future day, will still further enlarge the commerce of the main line.

From the particular position of the eastern section of the Wabash and Erie canal, as the out-let for other improvements, and the great extent of country for whose commerce it must be the channel, a higher rank in public estimation has generally been assigned it, in respect to its revenue, than to most other canals of the country. A more particular investigation of the subject, the results of which have here been presented, sustains this common sentiment, formed merely from general observation.

Although the undersigned has considered it his duty to ascertain, as nearly as practicable, the future revenue of the canal, yet he would here take occasion to remark, that this consideration is not presented as being necessary to secure for the object in view, the favorable action of the authorities of Ohio. Under the peculiar relations existing between the two States, in reference to this work, he would feel safe in resting the case upon other grounds. Even if the canal promised to be far less productive than has been supposed, still, from the character of the people of Ohio, the undersigned cannot doubt that considerations of a different nature, growing out of the mutual obligations of the States; of their identity of interest and policy; of public spirit, justice and comity, would yet secure a favorable response from that State. It is, however, a source of gratification to the legislature and the people of Indiana, to feel assured of the fact, rendered obvious by the foregoing estimate, that, while the State thus solicits, at the hands of the General Assembly of Ohio, the speedy completion of the work, as essential to her own prosperity, she is only urging a measure that must be mutually beneficial; that she is asking of Ohio nothing which can result in an unprofitable investment of her funds—nothing but will, it is presumed, be deemed reasonable and just.

With the highest regard,

Your Excellency's obedient servant,

J. L. WILLIAMS.

A Joint Resolution in relation to operations on the Wabash and Erie canal, to secure the speedy completion thereof, and for other purposes.

Be it resolved by the General Assembly of the State of Indiana, That it shall be the duty of the Chief Engineer of the State, if his services can be dispensed with in the duties of his office, if not, then the President of the Board of Internal Improvement or one of the members thereof, to proceed immediately to the seat of government of the State of Ohio, and in a respectful manner, to urge upon the consideration of the members of the legislature of that State, the necessity of a speedy completion of the Wabash and Erie canal, from the Indiana State line to the Maumee bay, in compliance with the compacts heretofore made between the two States in relation thereto, wherein Indiana yielded to Ohio a quantity of valuable lands, and amply sufficient when sold and realized, to construct said portion of said canal. And to make known the great losses and injuries to be sustained by Indiana, should Ohio longer continue to delay the completion of her portion thereof. And further, to represent the injustice done to Indiana, by constructing that part of said canal lying between the Auglaize river and the Indiana line, narrower than it is constructed from said line to Fort Wayne, by Indiana, and narrower than it is constructed from said Auglaize river to Lake Erie; which portion is thus far much neglected, and, from present appearances will not be completed so soon by two or three years, as the balance thereof, to the Lake, will be finished in Ohio. And to represent that 150 miles of this canal in Indiana, now nearly completed, and costing nearly two millions of dollars, will be comparatively unproductive and valueless, until its connexion with Lake Erie is consummated by Ohio finishing her portion thereof.

Be it resolved, That His Excellency the Governor, be requested to forward a copy of the foregoing joint resolution to His Excellency the Governor of Ohio, with the request that he may lay the same before the legislature of that State, and solicit their co-operation in effecting, in both States, a speedy completion of so immensely important a thoroughfare as that of the Wabash and Erie canal.

J. G. READ,

Speaker House Reps.

DAVID HILLIS,

Pres't of the Senate.

Approved, January 22, 1840.

DAVID WALLACE.

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